

MINUTES  
**JOINT FINANCE-APPROPRIATIONS COMMITTEE**

**DATE:** Friday, March 06, 2026  
**TIME:** 8:00 A.M.  
**PLACE:** Room C310  
**MEMBERS PRESENT:** Senators Co-chairman Grow, Cook, Bjerke (Bjerke), Hart, Carlson, Zuiderveld, Galloway, Ward-Engelking, Wintrow  
Representatives Co-chairman Tanner (14), Miller, Furniss, Petzke, Manwaring, Mitchell, Price, Bruce, Harris, Green  
**ABSENT/ EXCUSED:** Senators Woodward, Representative(s) Green  
**CONVENED:** **Co-Chairman Grow** called the meeting of the Joint Finance-Appropriations Committee (Committee) to order at **8:00 a.m.** with a quorum present.

**LSO STAFF PRESENTATION:** **FY 2026 Supplemental: Department of Health & Welfare (DHW), Division of Medicaid- Medicaid Forecast Adjustment, LBB 2-047 – Alex Williamson, Senior Analyst, Legislative Services Office (LSO)**

**Ms. Williamson** provided an overview of the DHW Division of Medicaid budget before the Committee. The division is responsible for administering programs to deliver health services to low-income and at-risk populations, including youth, the elderly, pregnant individuals, and people with disabilities, in accordance with state and federal requirements. The division has six budgeted programs: Medicaid Administration and Medical Management, four benefit plans (three traditional and one expansion), and Extended Employment Services.

She then presented a FY 26 supplemental request focused on an updated Medicaid forecast adjustment for the benefit plans. Medicaid is an entitlement program, meaning the state is required to cover costs for all eligible individuals receiving services. The updated forecast reflected current rates, services, and population changes, with growth in traditional plans partially offset by decreases in the expansion population.

The request included increases of \$92 million from the General Fund and \$23.6 million from dedicated funds, along with a \$9 million reduction in federal funds, totaling \$107.2 million. After accounting for savings from a 4% provider rate cut included in S 1331, the net request was reduced to \$75.3 million from the General Fund, no change in dedicated funds, and a \$53.2 million reduction in federal funds. Overall, the combined impact resulted in a net request of \$45.8 million for FY 26.

**MOTION:** Moved by **Senator Wintrow**, for fiscal year 2026, for the Department of Health and Welfare, in the Division of Medicaid, the onetime addition of \$92,592,400 from the General Fund, \$23,672,900 from dedicated funds, and the onetime reduction of \$9,021,300 from federal funds for the Medicaid forecast adjustment, for a total increase of \$107,244,000; seconded by **Representative Furniss**.

**PASSED:**

**Ayes: 16**

Senators Grow, Cook, Bjerke, Carlson, Galloway, Ward-Engelking, Wintrow

Representatives Tanner, Miller, Furniss, Petzke, Manwaring, Mitchell, Price, Bruce, Harris

**Nays: 2**

Senators Hart, Zuiderveld

**Ab/Ex: 2**

Senator Woodward

Representative Green

Both committees having voted in the majority, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Grow**.

**LSO STAFF  
PRESENTATION:**

**FY 2026 Supplemental: DHW, Division of Medicaid- Hospital Assessment Fund Alignment, LBB 2-049 – Alex Williamson, Senior Analyst, LSO**

**Ms. Williamson** presented the FY 26 DHW Division of Medicaid-Hospital Assessment Fund Alignment supplemental before the Committee. The supplemental related to the four Medicaid benefit plans, and the hospital assessment and upper payment limit (UPL). It was explained that H 345 from the prior session had changed how federal matching funds were handled, requiring all such funds to be deposited into the Hospital Assessment Fund, a dedicated fund, rather than being recorded as federal appropriations. As a result, the supplemental made a budget-neutral adjustment by shifting \$349 million from federal funds to dedicated funds, reflecting this new accounting structure. This change did not affect overall funding but reclassified where the funds were recorded. Additionally, the supplemental proposed creating a new budgeted program within the Division of Medicaid to separately track hospital assessment funds associated with the UPL. Previously, these funds were embedded within the four benefit plans, but the change would isolate them into a distinct program to improve transparency and allow clearer identification of related expenditures.

**MOTION:** Moved by **Representative Mitchell**, for fiscal year 2026, for the Department of Health and Welfare, in the Division of Medicaid, the onetime reduction of \$601,781,000 from the existing benefit plans, the creation of a new budgeted program for the Hospital Assessment, and the onetime addition of \$601,781,000 to the Hospital Assessment budgeted program, for a budget-neutral program adjustment; seconded by **Senator Cook**.

**PASSED:**

**Ayes: 18**

Senators Grow, Cook, Bjerke, Hart, Carlson, Zuiderveld, Galloway, Ward-Engelking, Wintrow  
Representatives Tanner, Miller, Furniss, Petzke, Manwaring, Mitchell, Price, Bruce, Harris

**Nays: 0**

**Ab/Ex: 2**

Senator Woodward  
Representative Green

Both committees having voted in the majority, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Grow**.

**LSO STAFF  
PRESENTATION:**

**FY 2027 DHW, Division of Medicaid, LBB 2-041– Alex Williamson,  
Senior Analyst, LSO**

**Ms. Williamson** presented the FY 27 DHW Division of Medicaid budget before the Committee. The budget included five Governor-recommended enhancements, population forecast adjustments, the ongoing impact of a 4% provider rate decrease, and an additional rescission recommendation. Enhancement #4 addressed the replacement of the Idaho Medicaid Management Information System (MMIS), which supported claims processing, provider enrollment, reporting, and pharmacy benefits. The multi-year project had begun in FY 2023, with the state's 10% share already placed in a dedicated fund. The request for FY 27 included \$10.2 million in dedicated funds and \$92.4 million in federal funds for that year's portion of the project.

Enhancement #5 focused on the Medicaid estate recovery program, which recouped costs from estates of deceased recipients. Due to a growing backlog—processing only a fraction of incoming cases—the department requested \$1.2 million in dedicated funds and \$1.2 million in federal funds to expand capacity.

Enhancement #6 supported the Medicaid program integrity unit by funding additional contract hours for audits. This effort aimed to increase recoveries beyond the \$3 million collected in 2025, with a request of \$935,000 split evenly between dedicated and federal funds.

Enhancement #21 related to additional staffing within the Division of Purchasing in the Department of Administration, with corresponding budget adjustments included in the Medicaid request.

Enhancement #22 aligned with the hospital assessment fund changes, continuing the effort to separate and track those funds in a standalone program. Population forecast adjustments reflected changes in enrollment, service utilization, and costs across programs. These adjustments included ongoing increases of \$98 million from the General Fund, \$91 million from dedicated funds, and \$197 million from federal funds, totaling \$387 million. These figures net against prior actions, including the 4% provider rate reduction. \$25 million is included onetime from the Millennium Fund. Finally, the Governor recommended an additional rescission, proposing a

reduction of \$22 million from the General Fund and a corresponding \$45 million decrease in federal funds.

**MOTION:**

Moved by **Representative Bruce**, beginning with the FY 2027 JFAC Program Maintenance Budget: add \$102,721,300 onetime for MMIS procurement; add \$2,496,600 ongoing for the Estate Recovery System; add \$935,000 ongoing for the Medicaid Integrity Program; add \$78,600 ongoing and \$1,200 onetime for Division of Purchasing Medicaid staff; add \$349,701,600 ongoing from dedicated funds and reduce \$349,701,600 ongoing from federal funds for the Hospital Assessment Fund alignment pursuant to House Bill 345 of 2025; add \$387,122,100 ongoing for population forecast adjustments; then reduce \$601,781,000 ongoing from the existing benefit plans appropriation and add \$601,781,000 ongoing to a newly created Hospital Assessment budgeted program in the Division of Medicaid. In total, for FY 2027, for the Department of Health and Welfare, Division of Medicaid, an additional \$98,084,200 from the General Fund, \$453,295,600 from dedicated funds, and a reduction of \$58,025,000 from federal funds for a total increase of \$493,354,800; seconded by **Representative Mitchell**.

**SUBSTITUTE MOTION:**

Moved by **Senator Cook**, beginning with the FY 2027 JFAC Program Maintenance Budget: add \$102,721,300 onetime for MMIS procurement; add \$2,496,600 ongoing for the Estate Recovery System; add \$935,000 ongoing for the Medicaid Integrity Program; add \$78,600 ongoing and \$1,200 onetime for Division of Purchasing Medicaid staff; add \$349,701,600 ongoing from dedicated funds and reduce \$349,701,600 ongoing from federal funds for the Hospital Assessment Fund alignment pursuant to House Bill 345 of 2025; add \$387,122,100 ongoing for population forecast adjustments; reduce \$601,781,000 ongoing from the existing benefit plans appropriation and add \$601,781,000 ongoing to a newly created Hospital Assessment budgeted program in the Division of Medicaid; reduce Residential Habilitation providers by \$33,500,000; and reduce \$33,500,000 for claims payments. For FY 2027, for the Department of Health and Welfare, Division of Medicaid, an additional \$76,084,200 from the General Fund, \$453,295,600 from dedicated funds, and a reduction of \$103,025,000 from federal funds for a total increase of \$426,354,800; seconded by **Representative Manwaring**.

**DISCUSSION:**

**Senator Cook** spoke in favor of the substitute motion, stating it represented a compromise to meet the governor's \$22 million General Fund reduction without imposing a full 10% cut to ResHab provider rates, which he stated could harm providers. He suggested splitting the reduction: \$11 million from ResHab rate cuts and \$11 million from lowering the population forecast adjustment.

**AMENDED SUBSTITUTE MOTION:**

Moved by **Senator Wintrow**, beginning with the FY 2027 JFAC Program Maintenance Budget: add \$102,721,300 onetime for MMIS procurement; add \$2,496,600 ongoing for the Estate Recovery System; add \$935,000 ongoing for the Medicaid Integrity Program; add \$78,600 ongoing and \$1,200 onetime for Division of Purchasing Medicaid staff; add \$349,701,600 ongoing from dedicated funds and reduce \$349,701,600 ongoing from federal funds for the Hospital Assessment Fund alignment pursuant to House Bill 345 of 2025; add \$387,122,100 ongoing for population forecast adjustments; reduce \$67,000,000 ongoing for the Governor's Initiative; then reduce \$601,781,000 ongoing from the existing benefit plans appropriation and add \$601,781,000 ongoing to a newly created Hospital Assessment budgeted program in the

Division of Medicaid. In total, for FY 2027, for the Department of Health and Welfare, Division of Medicaid, an additional \$76,084,200 from the General Fund, \$453,295,600 from dedicated funds, and a reduction of \$103,025,000 from federal funds for a total increase of \$426,354,800; seconded by **Senator Ward-Engelking**.

**DISCUSSION:**

**Senator Wintrow** spoke in favor of the amended substitute motion. She said the work group developed the motion through discussions and aimed to meet the \$22 million reduction by slightly lowering the Medicaid population forecast target rather than cutting services. She stated this approach recognized the forecast as an estimate and allowed flexibility if actual costs differed and believed this method would reduce stress and harm, especially given the negative impacts already caused by the 4% rate reduction, including service cuts and serious consequences for recipients. She stated the proposal was practical and a less harmful way to achieve the required savings without using reserve funds or further reducing services.

**Co-Chair Tanner** stated reducing Medicaid cost estimates based on lower usage was not justified under current conditions. He noted that the only time such an adjustment had worked in the past was during the post-COVID-19 pandemic unwinding, when there was clear evidence of overfunding due to declining enrollment. Since then, he said costs had consistently increased, and recent cuts were more likely to drive costs up rather than down. He expressed concern that proposals to split reductions between provider rates and forecast adjustments were unrealistic and could lead to future budget shortfalls. He also argued that some funding in residential habilitation was already unspent, so reductions there would not necessarily harm services. Overall, he believed further cuts or forecast adjustments would only delay the problem and result in a supplemental budget later.

**Senator Zuiderveld** expressed concerns about the substitute motion discussed in the work group. She felt it did not truly address the need to reduce the budget and achieve a balanced outcome, arguing that removing \$22 million without real cuts would reduce accountability and motivation to make necessary decisions. She believed the approach lacked transparency, since it could appear as a meaningful reduction but would likely result in a supplemental request the following year. Ultimately, she stated she would support the original motion instead, while reserving the option to change her vote later.

**Senator Cook** spoke in favor of the substitute motion. He stated more effort was needed to find budget reductions but cautioned against making cuts so large that programs could not survive. He opposed a full 10% cut to residential habilitation, arguing it could force providers out of business and lead to higher costs for the state in caring for affected individuals. Instead, he supported a more moderate approach that included an \$11 million reduction, emphasizing that it still achieved budget cuts while avoiding severe impacts.

**FAILED  
(AMENDED  
SUBSTITUTE  
MOTION):**

**Ayes: 2**  
Senators Ward-Engelking, Wintrow  
**Nays: 16**  
Senators Grow, Cook, Bjerke, Hart, Carlson, Zuiderveld, Galloway  
Representatives Tanner, Miller, Furniss, Petzke, Manwaring, Mitchell,  
Price, Bruce, Harris  
**Ab/Ex: 2**  
Senator Woodward  
Representative Green  
**Chairman Grow** stated having failed to reach a majority in the House and  
the Senate, the motion fails.

**FAILED  
(SUBSTITUTE  
MOTION):**

**Ayes: 4**  
Senators Cook, Ward-Engelking, Wintrow  
Representative Manwaring  
**Nays: 14**  
Senators Grow, Bjerke, Hart, Carlson, Zuiderveld, Galloway  
Representatives Tanner, Miller, Furniss, Petzke, Mitchell, Price, Bruce,  
Harris  
**Ab/Ex: 2**  
Senator Woodward  
Representative Green  
**Chairman Grow** stated having failed to reach a majority in the House and  
the Senate, the motion failed and the Committee moved onto the original  
motion.

**PASSED  
(ORIGINAL  
MOTION):**

**Ayes: 12**  
Senators Grow, Bjerke, Carlson, Zuiderveld, Galloway  
Representatives Tanner, Miller, Petzke, Mitchell, Price, Bruce, Harris  
**Nays: 6**  
Senator Cook, Hart, Ward-Engelking, Wintrow  
Representatives Furniss, Manwaring  
**Ab/Ex: 2**  
Senator Woodward  
Representative Green

Both committees having voted in the majority, the motion has passed and  
without objection will carry a **DO PASS** recommendation. There being no  
objection, it was so ordered by **Chairman Grow**.

**LSO STAFF  
PRESENTATION:**

**FY 2027 Idaho State Police (ISP), Brand Inspection, LBB 3-079 – Noah  
Peterson, Analyst, LSO**

**Mr. Peterson** presented the FY 27 ISP Brand Inspection budget before the Committee. The Brand Inspection Division of the Idaho State Police is one of four divisions within the department, alongside the Division of Idaho State Police, POST Academy, and the Racing Commission. It is responsible for protecting the livestock industry from theft and illegal slaughter. For FY 27, the division requested \$288,100 from the State Brand Board Fund for replacement items, including six trucks and four tablets and laptops. The trucks being replaced had an average mileage of about 195,000 miles.

**MOTION:**

Moved by **Senator Carlson**, beginning with the FY 2027 JFAC Program Maintenance Budget: add \$288,100 for replacement items as requested. For FY 2027, for the Idaho State Police, in the Brand Inspection Division, an additional \$288,100 from dedicated funds; seconded by **Representative Miller**.

**PASSED:**

**Ayes: 16**

Senators Grow, Cook, Bjerke, Hart, Carlson, Galloway, Ward-Engelking, Wintrow

Representatives Miller, Furniss, Petzke, Manwaring, Mitchell, Price, Bruce, Harris

**Nays: 1**

Senator Zuiderveld

**Ab/Ex: 3**

Senator Woodward

Representative Green

Both committees having voted in the majority, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Grow**.

**LSO STAFF  
PRESENTATION:**

**FY 2027 ISP, Division of Idaho State Police, LBB 3-085 – Noah Peterson, Analyst, LSO**

**Mr. Peterson** reviewed several budget requests for the Division of Idaho State Police. He noted that the first request, for commission pay plan legislation, depended on pending legislation and would be addressed later. The second request was for a \$500,000 ongoing federal grant increase for the Commercial Vehicle Safety Program, funded through the Federal Motor Carrier Safety Administration's formula grant. The funds were intended for additional training and operations for the commercial vehicle safety team. The third request was a \$551,500 onetime federal allocation for a pilot program to purchase 55 mobile live-scan devices – 40 for ISP and 15 for rural law enforcement—to take fingerprints from misdemeanor arrestees without requiring jail booking. The fourth request totaled \$3,228,600, including \$2,669,600 from the General Fund for replacement of 27 patrol vehicles, upfitting costs, and ballistic vests that had reached end of life. This replaced an earlier request for 42 vehicles, reduced in response to gubernatorial guidance. Additional replacement items from dedicated and federal funds included vehicles for the commercial vehicle safety program and computer equipment.

**MOTION:** Moved by **Representative Manwaring**, beginning with the FY 2027 JFAC Program Maintenance Budget: add \$500,000 from federal funds for enhancement 2, Commercial Vehicle Safety Grant as requested; add \$551,500 for enhancement 3, Mobile Livescan Program, as requested; and add \$3,228,600 for replacement items as recommended by the Governor. For FY 2027, for the Idaho State Police, in the Division of Idaho State Police, an additional \$2,669,600 from the General Fund, \$265,800 from dedicated funds, and \$1,344,700 from federal funds for a total of \$4,280,100; seconded by **Senator Wintrow**.

**PASSED:**

**Ayes: 16**

Senators Grow, Cook, Bjerke, Hart, Carlson, Galloway, Ward-Engelking, Wintrow

Representatives Miller, Furniss, Petzke, Manwaring, Mitchell, Price, Bruce, Harris

**Nays: 1**

Senators Zuiderveld

**Ab/Ex: 3**

Senator Woodward

Representative Green

Both committees having voted in the majority, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Grow**.

**LSO STAFF  
PRESENTATION:**

**FY 2027 ISP, POST Academy, LBB 3-093 – Noah Peterson, Analyst, LSO**

**Mr. Peterson** stated POST Academy provided training and technical support for law enforcement across Idaho, including basic and specialized programs for peace officers, corrections officers, and dispatchers, while maintaining certification and training standards as directed by the Idaho POST Council. For FY 27, POST requested a \$324,100 enhancement from the Peace Officer Standards and Training Fund for replacement items. These included five vehicles, repairs to jail cell doors in the training building, replacement computers and monitors, desk chairs, and video cameras.

**MOTION:** Moved by **Senator Carlson**, Beginning with the FY 2027 JFAC Program Maintenance Budget: add \$324,100 for replacement items as requested. For FY 2027, for the Idaho State Police, in the POST Academy Division, an additional \$324,100 from dedicated funds; seconded by **Representative Mitchell**.

**PASSED:**

**Ayes: 16**

Senators Grow, Cook, Bjerke, Hart, Carlson, Galloway, Ward-Engelking, Wintrow

Representatives Miller, Furniss, Petzke, Manwaring, Mitchell, Price, Bruce, Harris

**Nays: 1**

Senator Zuiderveld

**Ab/Ex: 3**

Senator Woodward

Representative Green

Both committees having voted in the majority, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Grow**.

**LSO STAFF  
PRESENTATION:**

**FY 2027 Department of Juvenile Corrections, LBB 3-067 – Noah Peterson, Analyst, LSO**

**Mr. Peterson** stated the Department of Juvenile Corrections (IDJC) oversaw all juvenile offenders committed by Idaho courts and established minimum standards for detention, care, and certification of approved facilities. He noted that a proposed medical services reimbursement change was not pursued by the agency and was excluded from the Governor's recommendation. He explained a \$327,000 transfer of clinician service funding from Health and Welfare to the General Fund, reversing a long-standing process in which general funds were routed through Health and Welfare to IDJC. This change would directly appropriate the funds to IDJC to support detention center clinicians who screen juveniles for mental health needs. The department also requested \$939,000 from the State Juvenile Correction Center Endowment Income Fund for replacement items, including 10 vehicles, recreation area improvements at Nampa, new desks and chairs at Nampa and Lewiston, a headquarters lobby remodel, and facility maintenance at Lewiston and St. Anthony. Finally, \$1,035,800 was requested from the same fund for IT hardware replacements recommended by the Office of Information Technology Services, including laptops, desktops, switches, routers, and other network infrastructure upgrades.

**MOTION:**

Moved by **Representative Manwaring**, beginning with the FY 2027 JFAC Program Maintenance Budget: Reduce \$327,000 from the Miscellaneous Revenue Fund and add \$327,000 from the General Fund for Clinician Service Transfer from DHW; add \$939,000 for replacement items; add \$1,035,800 for OITS hardware; and add 6.00 FTP and \$593,900 ongoing from the General Fund to restore General Fund budget reductions for Direct Care Staff at Juvenile Corrections Facilities and Substance Use Disorder Mentoring Services. For FY 2027, for the Department of Juvenile Corrections, an additional \$920,900 from the General Fund, and \$1,647,800 from dedicated funds, for a total of \$2,568,700, and an additional 6.00 full-time equivalent positions; seconded by **Senator Wintrow**.

**PASSED:**

**Ayes: 15**

Senator Grow, Cook, Bjerke, Hart, Carlson, Galloway, Ward-Engelking, Wintrow  
Representatives Miller, Furniss, Petzke, Manwaring, Mitchell, Price, Harris

**Nays: 2**

Senator Zuiderveld  
Representative Bruce

**Ab/Ex: 3**

Senator Woodward  
Representative Green

Both committees having voted in the majority, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Grow**.

**LSO STAFF  
PRESENTATION:**

**FY 2027 Department of Administration, LBB 6-005 – Frances Lippitt,  
Senior Analyst, LSO**

**Ms. Lippitt** presented the FY 27 Department of Administration budget enhancements request before the Committee. The Department of Administration provides services to state agencies and employees, including managing public works projects, maintaining the Capitol Mall and Chinden campus, administering group health insurance, and providing property and casualty insurance. The department is organized into five budgeted programs: management services, public works, group insurance, purchasing, and document services. The department requested four enhancements: shifting \$365,000 in utility costs from the General Fund to a dedicated fund; adding three FTP and \$397,300 in dedicated funds to the Division of Purchasing for Medicaid procurement and contract management, with a 50% federal match; transferring one FTP from purchasing to management services for an agency-wide training position; and transferring one FTP from document services to management services for an administrative support position. Additionally, the department requested dedicated fund increases for utility inflation, one-time IT hardware replacements recommended by the Office of Information Technology Services, and correction of a prior calculation error, removing an additional \$2,000 for a long-term vacant position.

**MOTION:**

Moved by **Representative Harris**, beginning with the FY 2027 JFAC Program Maintenance Budget: reduce \$365,000 from the General Fund and add \$365,000 from dedicated funds for enhancement 1 for aligning utilities costs to rent revenue; include enhancement 4 for a requested program transfer for an administrative support position; add 1.00 FTP and \$159,500 from dedicated funds for enhancement 5 for a Medicaid procurement bureau chief as requested; add \$276,100 from dedicated funds for enhancement 53 for an inflationary increase for utilities costs; add \$344,400 from dedicated funds for IT hardware; and add \$2,000 from the General Fund to adjust prior rescissions. For FY 2027, for the Department of Administration, a reduction of \$363,000 from the General Fund and an additional \$1,145,000 from dedicated funds, for a total of \$782,000, and an additional 1.00 full-time equivalent position; seconded by **Representative Petzke**.

**DISCUSSION:**

In response to a Committee question, **Director of the Department of Administration Steve Bailey** stood to address the Committee. He stated that in the prior year the department had moved a training position from purchasing to a department-level role, allowing the position to serve the entire department rather than just purchasing. In the current budget, the line item reflected the transfer of funds for that position from purchasing to the director's office.

**SUBSTITUTE MOTION:**

Moved by **Senator Cook**, Beginning with the FY 2027 JFAC Program Maintenance Budget: reduce \$365,000 from the General Fund and add \$365,000 from dedicated funds for enhancement 1 for aligning utilities costs to rent revenue; add 2.00 FTP and \$275,863 from dedicated funds for enhancement 2 for Medicaid procurement staff; include requested program transfers for enhancements 3 and 4 for an agencywide training position and an administrative support position; add \$276,100 from dedicated funds for enhancement 53 for an inflationary increase for utilities costs; add \$344,400 from dedicated funds for IT hardware; and add \$2,000 from the General Fund to adjust prior rescissions. For FY 2027, for the Department of Administration, a reduction of \$363,000 from the General Fund and an additional \$1,261,400 from dedicated funds, for a total of \$898,400, and an additional 2.00 full-time equivalent positions; seconded by **Senator Ward-Engelking**.

**FAILED (SUBSTITUTE MOTION):**

**Ayes: 7**

Senators Grow, Cook, Bjerke, Galloway, Ward-Engelking, Wintrow  
Representative Furniss

**Nays: 11**

Senators Hart, Carlson, Zuiderveld  
Representatives Tanner, Miller, Petzke, Manwaring, Mitchell, Price, Bruce, Harris

**Ab/Ex: 2**

Senator Woodward  
Representative Green

**PASSED (ORIGINAL MOTION):**

**Ayes: 14**

Senators Grow, Bjerke, Hart, Carlson, Zuiderveld, Galloway  
Representatives Tanner, Miller, Petzke, Manwaring, Mitchell, Price, Bruce, Harris

**Nays: 4**

Senators Cook, Ward-Engelking, Wintrow  
Representative Furniss

**Ab/Ex: 2**

Senator Woodward  
Representative Green

Both committees having voted in the majority, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Grow**.

**LSO STAFF  
PRESENTATION:**

**FY 2027 Military Division, LBB 6-109 – Frances Lippitt, Senior Analyst,  
LSO**

**Ms. Lippitt** stated the Military Division, which included the Idaho Army and Air National Guard, Public Safety Communications, and the Office of Emergency Management, was organized into four budgeted programs: Military Management, Federal and State Agreements, the Office of Emergency Management, and Emergency Medical Services. For FY 27, the division requested one enhancement: a \$120,000 dedicated fund appropriation to cover anticipated administrative overhead costs for managing grants within the Office of Emergency Management.

**MOTION:**

Moved by **Representative Petzke**, beginning with the FY 2027 JFAC Program Maintenance Budget: add \$120,000 for enhancement 1 for an increase in indirect cost recovery funds for the Office of Emergency Management and \$190,800 for enhancement 2 for the State Education Assistance Program. For FY 2027, for the Military Division, an additional \$190,800 from the General Fund and an additional \$120,000 from dedicated funds, for a total of \$310,800 from all funds; seconded by **Senator Ward-Engelking**.

**PASSED:**

**Ayes: 17**

Senators Grow, Cook, Bjerke, Hart, Carlson, Galloway, Ward-Engelking, Wintrow

Representatives Tanner, Miller, Furniss, Petzke, Manwaring, Mitchell, Price, Bruce, Harris

**Nays: 1**

Senator Zuiderveld

**Ab/Ex: 2**

Senator Woodward

Representative Green

Both committees having voted in the majority, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Grow**.

**ADJOURNED:**

There being no further business before the Committee, **Co-Chairman Grow** adjourned the meeting at **9:30 a.m.**

---

Senator Grow  
Chair

---

Linsy Heiner  
Secretary