



Governor Brad Little

State Capitol :: Boise, Idaho 83720
(208) 334-2100 :: gov.idaho.gov

January 10, 2022

Idaho State Legislature
State Capitol Building
P.O. Box 83720
Boise, Idaho 83720

Dear Legislator:

I am transmitting to you today the Executive Budget documents in accordance with Idaho Code 67-3506. My budget proposal includes the following highlights:

FY 2022 – The FY 2022 General Fund revenue estimate of \$5,171,332,500 is a 3.2% increase in revenue from FY 2021. My budget recommendation includes the following:

- \$350 million in one-time income tax rebates;
- \$175.8 million to pay off all debt in the state bond payment program;
- Capital investments in local bridges, water and other critical infrastructure;
- Public safety investments to Back the Blue and ensure safe and secure elections; and
- An ending balance of \$214 million.

FY 2023 – The FY 2023 General Fund revenue estimate of \$5,322,634,000 reflects a 2.9% growth in anticipated revenue from FY 2022. Accordingly, my budget recommendation includes the following:

- \$251 million in ongoing income tax reductions by cutting the top rate to 6% for both individuals and businesses;
- An 11% increase for public schools, with investments in literacy, teacher health insurance, and acceleration of the career ladder;
- \$200 million for ongoing maintenance of roads and bridges for local and state transportation needs; and
- An ending balance of \$214 million.

Change in Employee Compensation (CEC) – My recommendation for changes in salaries and benefits for FY 2023, addressing each of the four components identified in Idaho Code 67-5309C(2), include the following:

- A 3% merit-based CEC for permanent positions;
- A 2% funded change to the compensation schedule;
- Continuation of the payline exceptions identified by the Division of Human Resources in the CEC and Benefits Report; and
- Maintenance of the overall design of the benefits package and percentage contributions for employee benefits.

Federal Funds Inventory – In accordance with Idaho Code 67-3507(4), federal funding reports required by 67-1917 and disclosures required by 67-3502(5) are included.



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Additional details are provided to all legislative members and the public in my Executive Budget and related documents that are available at <http://dfm.idaho.gov/>.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brad Little", is positioned below the word "Sincerely,".

Brad Little
Governor of Idaho