



Governor Brad Little

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

January 9, 2023

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 2023 – The FY 2023 General Fund revenue estimate of \$5,867,925,400 is a 5.3% decrease in revenue from FY 2022 due primarily to the implementation of previous tax cuts. My budget recommendation includes the following:

- Capital investments in local bridges, roads, water storage, drinking water and wastewater infrastructure, and other critical infrastructure; and
- An ending balance of \$210 million.

FY 2024 – The FY 2024 General Fund revenue estimate of \$5,547,111,500 reflects a 5.5% decrease in anticipated revenue from FY 2023 due primarily to the implementation of previous tax cuts and the sales tax transfer to education. Accordingly, my budget recommendation includes the following:

- \$330 million in dedicated fund spending for public schools, implementing the funding set aside from the 2022 special session. Targeted priorities include increased teacher pay, classified staff pay, and discretionary funding to address local needs.
- \$80 million in dedicated fund spending for in-demand careers. This will help students pursue in-demand careers at colleges, community colleges, CTE programs, and workforce training providers.
- \$303 million for ongoing maintenance and safety of roads and bridges for local and state transportation needs; and
- An ending balance of \$220 million.

Change in Employee Compensation (CEC) – My recommendation for changes in salaries and benefits for FY 2024, addressing each of the four components identified in Idaho Code 67-5309C(2), include the following:

- A 4% merit-based CEC for permanent positions;
- An additional 6% CEC for law enforcement positions (10% total);
- Continuation of the payline exceptions identified by the Division of Human Resources in the CEC and Benefits Report; and
- Maintaining a competitive benefits package and plan design.

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", written in a cursive style.

Brad Little
Governor of Idaho