



The Idaho Works Plan FY 2025 Budget Highlights

Idaho Works for Public Education: Delivering on Our Commitments

Since 2019, Governor Little and the Legislature have delivered on the recommendations of the *Our Kids, Idaho's Future* task force. We have targeted starting teacher pay from the bottom 10 to top 10 nationally, expanded the career ladder for all teachers, increased classified staff pay, boosted health insurance benefits, increased investments in literacy five-fold, and provided a record level of discretionary funds so that local schools can meet local needs. These ongoing investments of more than \$1 billion are strengthened by Governor Little's FY 2025 budget recommendations:

- Makes the largest ever state investment in **school facilities**, increasing funding by \$200 million annually – \$2 billion over the next 10 years – to ensure all districts have the resources necessary to address unmet capital construction needs and improve student achievement.
- Doubles the funding for **college and career advisors** (\$9 million) to strengthen advising for all high school students, including non-college tracks, such as workforce training, industry credentials, and other career opportunities. These funds may also be used to augment staff capacity to deal with major mental health crises.
- **Invests in accountability and achievement** by providing \$40 million in outcome-based funding to schools. Funding will be targeted to schools meeting priority goals in proficiency and growth in early literacy and math, and the number of high school graduates earning credentials for success in the workforce or postsecondary education.
- Accelerates **charter schools** by eliminating red tape, increasing autonomy for high-performers, and providing \$605k to enroll those schools in need of performance enhancement in appropriate support services.

Idaho Works for the Economy: Building a Skilled Workforce

Last year, Governor Little proposed and the Legislature passed Idaho LAUNCH, a program that has propelled Idaho into one of the best states for workforce education in the nation. Idaho LAUNCH can expand opportunities for students and meet industry needs. Governor Little's FY 2025 budget recommendation:

- Fully funds the **Idaho LAUNCH** program (\$75 million), to ensure grants are awarded to up to 10,000 Idaho graduates. Grants may be used at any Idaho college, career technical program, or workforce training provider of their choice for an in-demand career. Demand for Idaho LAUNCH has shattered expectations, with more than 12,500 applications submitted or started through just December.
- Provides \$32 million for **university infrastructure** to increase capacity and prepare for rising student demand in targeted fields.
- Provides \$1.3 million in ongoing federal fund spending authority to **train energy contractors**. Grants will be made available to adults to train for such positions as HVAC contractors, electricians, energy auditors, and home performance contractors.

Idaho Works for Transportation: Driving Forward with High-Value Infrastructure

In recent years, Governor Little and the Legislature have championed investments in transportation infrastructure without raising taxes or fees. We have funded transportation safety and deferred maintenance gaps at ongoing levels based on external studies, and made significant gains in funding airports, rail, bridges, and pedestrian infrastructure. Governor Little's FY 2025 budget recommendation builds off these previous recommendations:

- Adds \$200 million as the final tranche of an effort to improve **local bridges**. Idaho has more than 900 bridges that are more than 50 years old, with estimated costs of \$600 million to repair or replace. Governor Little and the Legislature have previously allocated \$400 million to this effort, and construction is underway on dozens of bridges statewide.
- Invests \$50 million to augment the **Transportation Expansion** and Congestion Mitigation (TECM) bonding program. This will allow the state to bond for an estimated additional \$800 million for new infrastructure that will significantly strengthen Idaho's transportation system.

Idaho Works for Taxpayers: Returning More of Your Hard-Earned Money

Governor Little and the Legislature have returned \$3.7 billion to Idahoans' pockets over the past five years, with relief on income taxes, property taxes, and an expanded grocery tax credit – providing more tax relief per capita than any other state! The Governor's budget continues to return even more money to hardworking Idahoans:

- The Governor recommends an additional \$125 million of state funding for ongoing **property tax relief** to be directed to local school districts to defray the costs of unmet capital construction needs. This is expected to provide more than \$1 billion in long-term property tax relief.

Idaho Works for Public Safety: Keeping the Idaho We Love

Safe communities form a thriving Idaho. The Governor's budget recommends the following priorities:

- Adds \$25 million for the construction of a secure, forensic 26-bed **mental health facility** to care for patients committed and determined to be dangerously mentally ill by Idaho courts.
- Focuses on **human trafficking** with \$200k to Idaho State Police to support a mission to the Texas border on the mitigation of human trafficking and bring back training on its prevention and identification.
- Makes \$4.6 million available for ongoing **public safety** replacement items so that in times of economic downturn, Idaho State Police is fully funded for vehicles, body armor, and gear to keep our troopers safe.
- Funds the establishment of the Office of the **State Public Defender** (SPD) which will replace the Public Defense Commission (PDC). The new SPD will absorb the existing General Fund of the PDC and utilize \$36 million in dedicated fund spending authority to hire public defenders and support staff, as well as contract with private defense attorneys, to provide fair, adequate, and uniform public defense for indigent clients across the State.

Idaho Works for Agriculture and Natural Resources: Securing Our Future

Since 2019, Governor Little and the Legislature provided more than \$1 billion to improve the quantity and quality of water throughout the state and expand outdoor recreation opportunities. The Governor's budget builds off this commitment:

- Adds \$6.6 million in funding to continue the state's response to invasive **quagga mussels**. This funding will be used for ongoing prevention and monitoring of invasive species in addition to future preparedness for rapid response.
- Provides \$30 million for investments in state water infrastructure to maintain and expand water projects in Idaho that help ensure a **stable water supply** across Idaho.
- The Governor recommends \$20 million in additional funding for **outdoor recreation**. The Department of Parks and Recreation will leverage these funds to responsibly manage and expand access to Idaho's great outdoors. The Governor also recommends \$4.5 million in dedicated fund spending authority to be used as matching grants for camping improvements at various parks.
- Provides \$1 million for **wildland firefighter bonuses** to ensure Idaho Department of Lands can recruit and retain qualified firefighting personnel.
- Provides \$3 million in grants to help farmers, ranchers, dairies, and confined animal feeding operations with environmental improvement programs. This will **improve soil, water, and air quality** in agricultural communities in Idaho.

Idaho Works for Health and Human Services: Addressing Access and Unmet Needs

The Governor's budget and Legislative action addresses long-standing public health challenges facing Idahoans:

- Reins in Medicaid spending by holding the state General Fund at prior-year (FY 2024) levels, while addressing needed provider rate increases and pursuing a work requirement for the Medicaid expansion population.
- Adds \$447k for 8 new **medical residency** positions to address the shortage of physicians in the state and continue implementation of the 10-year Graduate Medical Education plan. Approximately 100 new medical residency positions have been supported over the past three years.
- Provides \$806k in additional support for the **home delivered meals program** and to increase the reimbursement rate for congregate and home delivered meals by 25 cents per meal. This will assist Area Agencies on Aging (AAA's) that are experiencing shortfalls and waiting lists for this critical program for seniors.
- Leverages more than \$2 million from the **opioid settlement** fund to advance recommendations from the Idaho Behavioral Health Council. This includes investments to support behavioral health workers and increase their capacity, as well as increasing opportunities for treatment for targeted populations.
- Honors our veterans with the acquisition of 14-acres of vacant land from the Dry Creek Cemetery (\$3.95 million) for the future expansion of the Idaho State Veterans Cemetery in Boise.

Idaho Works for Fiscal Conservatism: Preparing the State for Economic Uncertainty

As revenue normalizes from pandemic highs, the Governor's budget continues fiscal prudence that will better prepare Idaho for any economic conditions:

- **Limits growth** in General Fund spending to 2.2% over FY 2024 levels, one of the most fiscally conservative budgets in years.
- **Bolsters rainy-day funds** by \$24 million to ensure the state is prepared for future economic downturns, keeping the state at the maximum level allowed under its primary rainy-day fund.
- Augments the Fire Suppression Deficiency Fund by \$17 million to ensure the state has the resources – even in volatile economic times – to **fight wildfires** that threaten life, property, and Idaho lands.
- **Leaves a surplus** (>\$250 million) in both budgeted years to provide a greater cushion against economic uncertainty.
- Maintains a structurally **balanced budget** over a five-year horizon using a fiscal stress test that accounts for the probability of a recession.