



Legislative Services Office Idaho State Legislature

Terri Kondeff

Director

MEMORANDUM

Serving Idaho's Citizen Legislature

To: Superintendent of Public Instruction, Debbie Critchfield
Department of Health and Welfare Director, Juliet Charron
Fiscal Officers for State Department of Education and Department of Health and Welfare

From: Keith Bybee, Budget & Policy Analysis Division Manager, LSO

Date: 28 January 2026

Subject: Budget Reduction Plans for FY 2026 and FY 2027 for Public School Support and Division of Medicaid

Sent on behalf of JFAC Co-Chairs.

While JFAC is working through the current budget cycle for FY 2026 and FY 2027, it is evaluating options to balance the statewide budget. One of those options is to further reduce budgets in FY 2026 and FY 2027.

JFAC would like to have information from you on how best to implement these reductions. Please submit to your LSO Budget & Policy analyst budget reduction plans that include an **additional 1% budget reduction** in FY 2026 and FY 2027 and a budget reduction plan for an **additional 2% budget reduction** in FY 2026 and FY 2027. These additional percentages are from the 2026 original appropriation.

See below for the calculated amounts.

Please include the following details in your budget reduction plans:

- Identify any essential service is affected.

Additional budget reduction plans will include the amount by budgeted program (appropriation unit) and expenditure account category. Please indicate the impact of these reductions by program. There is no need to adjust the budget in Luma. Please submit your plans in Excel and discuss the impact by program in a memo to the Budget & Policy analyst assigned to your budget by **noon on Friday, January 30, 2026.**

	1%	2%
PUBLIC SCHOOL SUPPORT	(\$27,546,600)	(\$55,093,200)
DIVISION OF MEDICAID	(\$9,940,500)	(\$19,881,000)

CC: JFAC Committee Members
House and Senate Leadership
Lori Wolff, DFM Administrator

Paul Headlee, Deputy Director
Legislative Services Office

Matt Drake, Manager
Research & Legislation

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April Renfro, Manager
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