



## Idaho State Board of Land Commissioners

Brad Little, Governor and President of the Board

Phil McGrane, Secretary of State

Raúl R. Labrador, Attorney General

Brandon D Woolf, State Controller

Debbie Critchfield, Superintendent of Public Instruction

Dustin T. Miller, Secretary to the Board

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*Be it remembered that the following proceedings were had and done by the State Board of Land Commissioners of the State of Idaho, created by Section Seven (7) of Article Nine (IX) of the Constitution.*

## Final Minutes

State Board of Land Commissioners Regular Meeting

March 18, 2025

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, March 18, 2025 at the Boise City Council Chambers, Boise City Hall, 3rd Floor, 150 N. Capitol Blvd., Boise, Idaho, and via webinar. The meeting began at 9:00 a.m. The Honorable Governor Brad Little presided. The following members were in attendance:

Honorable Governor Brad Little

Honorable Secretary of State Phil McGrane

Honorable Attorney General Raúl Labrador

Honorable Superintendent of Public Instruction Debbie Critchfield

Four Land Board members were present at the physical location. State Controller Brandon Woolf was attending a national conference for state controllers.

## Reports

1. Department Reports—presented by Bill Haagenson, Deputy Director
  - A. Timber Sales Revenue—February 2025
  - B. Leases/Permits Transactions and Revenue—February 2025
  - C. Legislative Summary

Discussion: None.

2. Endowment Fund Investment Board—presented by Chris Halvorson, EFIB Investment Officer
  - A. Manager's Report
  - B. Investment Report

Discussion: Mr. Halvorson stated the month of February was volatile; financial markets were up and down having to do with tariffs and consumer confidence. Mr. Halvorson reported that throughout the volatility, the Endowment Fund ended February down about 0.1%, with a fiscal year-to-date return around 6.2%. Volatility continued in March; month to date the fund is down 1.5%, and fiscal year-to-date return is 4.6%. Mr. Halvorson mentioned a couple of factors affecting the market. The

fear of recession surfaced again; there was a lot of talk on trade and tariffs and negotiations. Consumer confidence was weakened by all the news going on in the market. Spending was off a little; labor markets were challenged with news in job cuts. A large effect was related to the race for AI [artificial intelligence]. A Chinese company was in the news touting a cheaper solution to the AI need for expensive chips and power. That led to lower stock prices, particularly tech stocks linked to AI. Mr. Halvorson commented that the general lack of steady direction in the economy, and uncertainty, was bad for stocks. This instability will remain until clarity and certainty come back in the markets. Mr. Halvorson communicated some good news; international stocks have been outperforming, partially because of an industrial rebuild in Europe and more military spending in certain countries. Real estate has been a bright spot; the fund had a couple of good quarters with positive numbers in real estate. Mr. Halvorson noted that the Investment Board hired local investment manager Clearwater Advisors to manage a portion of the investments for the State Insurance Fund; some members may be familiar with that firm. Governor Little asked if it was fixed income management; Mr. Halvorson replied yes.

### **Consent—Action Item(s)**

3. Timber License Plate Fund—presented by Jennifer Okerlund Frederickson, Idaho Forest Products Commission

Discussion: Superintendent Critchfield complimented the valuable tour put together for teachers that offers education about sustainable forest. Superintendent Critchfield shared that she took part in a prior tour, and it was very well received; those who participated absolutely loved it. Ms. Okerlund-Frederickson thanked Superintendent Critchfield for making time to participate and mentioned that tour leaders and teachers really enjoyed having her there.

Recommendation: Direct the Department to proceed with the recommended educational projects developed jointly with the Idaho Forest Products Commission.

4. Approval of Draft Minutes—February 18, 2025 Regular Meeting

**Consent Agenda Board Action:** A motion was made by Superintendent Critchfield that the Land Board approve the Consent Agenda. Secretary of State McGrane seconded the motion. The motion carried on a vote of 4-0.

### **Regular—Action Item(s)**

5. Modernizing Wildland Fire Operations Facilities: Seek Concurrent Resolution—presented by Michele Andersen, Deputy Director-Policy and Administration; and Derrick Reeves, Fleet and Facilities Manager

Discussion:

Governor Little asked if the Department is going to ask for a concurrent resolution this session. Ms. Andersen remarked the Department hoped to have this conversation earlier in the session; the legislature is trying to wrap up and the probability for this year is pretty slim. The Land Board's approval to move forward positions the Department to start that leg work and be ready for the next session. Superintendent

Critchfield clarified that if the Board agrees to moving forward on the resolution and there is an opening to get it done this year, the Department could try, following the natural timeline. Ms. Andersen said the Department is trying to be prepared for when the opportunity presents itself.

Secretary of State McGrane reflected that it could be a year or ten months from now before the Department would seek the concurrent resolution and questioned if the Board needs to pursue it at this moment. Is this the highest priority? Secretary of State McGrane recognized the facilities need attention and asked, with respect to fire response, how this ranks in terms of funding and spending. Does it warrant more conversation rather than approval at this point in time. Superintendent Critchfield asserted that she has no problem approving the resolution if this kicks off a process of investigation and more conversation, which is how she reads it. It does not tie the Board's hands into anything. Superintendent Critchfield indicated if it helps the Department have more information when the subject comes back to the Board, and facilitates a fuller discussion, she is fine with the timing even if it is a little longer getting to the legislature. Secretary of State McGrane noted he does not have any heartburn that this will cause harm. He inquired about other approaches beyond the ISBA that have been explored in connection with funding. Deputy Director Andersen stated other alternatives as presented last month could be explored. In order to better understand what that process would look like with ISBA, the Department needs a concurrent resolution to have those discussions; it does not preclude pursuing a different option as well. The Department identified this \$45-50 million need; that could very well change due to other needs. The Department is trying to give the Board an estimation based on current knowledge and deliberations, recognizing that it will firm up with better detail down the road. Mr. Haagenson added that the Department plans to bring the latest version of its fire strategic plan to the Land Board next month and engage with Board members on the direction for the fire program.

Governor Little recapped the plan to ask the legislature to pass a concurrent resolution, borrow \$40 million from bankers and then start paying them back. Somewhere the money must come to pay the loan back. Governor Little emphasized that he is not comfortable starting the process of borrowing \$40-50 million. The Land Board requires more comfort on the dire need for it. The Board wants details of building a new fire site at all the older fire sites and not on endowment land. There might be places where an ideal building comes up for a fraction of what it would cost to build new. Governor Little guessed the legislature would be very, very reluctant to borrow \$40 million because every other agency wants to do the same thing; where does it stop. Governor Little suggested that staff fine tune the request on a facility by facility priority standpoint. These fire facilities have to be in certain places to optimize response time: where the facilities would be built, what all would be put with them, where the Department might cooperate with a rural fire department, all needs to be considered. Land Board members need a higher comfort before asking the legislature to loan \$45 million that has to be paid back. The Department would basically be asking for a continuous appropriation to make those payments, and the legislature is not excited about doing continuous appropriations.

Recommendation: Authorize the Department to seek a Concurrent Resolution from the Legislature allowing the Department to work with the ISBA to develop site-specific agreements with the ISBA to provide financing to construct or upgrade fire operations facilities at select locations across the state.

Board Action: A motion was made by Secretary of State McGrane that the Land Board hold the proposal at the call of the Chair. The Department will present a revised Fire Strategic Plan at the April 15th Land Board meeting, and the conversation will continue. The motion carried on a vote of 4-0.

## Information

None

## Executive Session

None

There being no further business before the Land Board, at 9:28 a.m. a motion to adjourn was made by Superintendent Critchfield. The motion carried on a vote of 4-0.

Idaho State Board of Land Commissioners

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*/s/ Brad Little*

Brad Little  
President, State Board of Land Commissioners and  
Governor of the State of Idaho

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*/s/ Phil McGrane*

Phil McGrane  
Secretary of State

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*/s/ Dustin T. Miller*

Dustin T. Miller  
Director

The above-listed final minutes were approved by the State Board of Land Commissioners at the April 15, 2025 Land Board meeting.