



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

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

June 17, 2025

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, June 17, 2025 at the State Capitol, Lincoln Auditorium (WW02), Lower Level, West Wing, 700 W. Jefferson St., 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 State Controller Brandon Woolf

Honorable Superintendent of Public Instruction Debbie Critchfield

Four Land Board members were present at the physical location; Superintendent Critchfield joined via Zoom.

Reports

1. Department Reports—presented by Dustin Miller, Director
 - A. Timber Sales Revenue—May 2025
 - B. Leases/Permits Transactions and Revenue—May 2025

Discussion: Controller Woolf referred to the Lewiston Seed Orchard transaction and asked if it was complete and all pending items addressed. Director Miller replied that water rights questions from the Attorney General's office were resolved, and the acquisition closed in May. Director Miller mentioned the Department is sustainably cutting 330 million board feet annually, and having that capacity to grow a lot of seed is critical for the Department's continued work on behalf of the endowments.

2. Endowment Fund Investment Board—presented by Chris Anton, EFIB Manager of Investments
 - A. Manager's Report
 - B. Investment Report

Discussion: Mr. Anton reported that the portfolio had strong performance during the month of May, mostly driven by some easing of tariff restrictions. In early May the U.S. and China agreed to temporarily reduce the tariff rates from 145% to 30% and significant progress was made with the European Union on the tariff front. Investors perceived that the excessive tariff rates initially put in place were coming down to a more reasonable level and the markets rebounded; there was also a sharp rebound in consumer confidence. The portfolio was up 4% during the month of May and 8.1% fiscal year-to-date. Through yesterday, the fund was up 9.7% fiscal year-to-date, so the rallies continued into June. A lot of discussion in May was President Trump's "one big, beautiful bill" that passed the House of Representatives and is currently under review by the Senate. The bill seeks to make permanent tax cuts that were established in the Tax Cuts and Jobs Act of 2017, increase the deductions for state and local taxes, and increase spending on border security and military expansion. It is anticipated that the bill will continue to increase the deficit, which has adversely affected the bond market. Long-term rates moved up because that additional deficit spending will have to be financed. The equity markets think it is a great deal because it is stimulative to the economy and will create jobs. Overall, it has been a strong period of performance; hopefully the fiscal year will have a strong end.

Consent—Action Item(s)

3. Strategic Plan FY2026-FY2029—presented by Dustin Miller, Director

Recommendation: Direct the Department to submit its FY2026-FY2029 Strategic Plan to the Division of Financial Management by July 1, 2025.

Discussion: Secretary of State McGrane commented the current strategic plan does not seem to reflect recent federal leadership changes or opportunities arising from them. The Governor has met with federal partners like Tom Schultz and issued executive orders (Make Forests Healthy Again Act) aligned with increasing federal timber harvests and forest management. Secretary of State McGrane said he would like to see the Department's plan better align with these federal and state-level efforts and partnerships. This is more than a routine planning exercise—there are timely opportunities with Idahoans in federal positions. Director Miller stated the strategic plan remains grounded in the Department's dual mission: managing endowments and providing regulatory/assistance functions. Though not explicit in the plan, current efforts support federal initiatives (Trump administration executive orders) to increase forest output and health through partnerships like Good Neighbor Authority (GNA). The Governor's act complements these efforts, aiming to improve forest resilience and reduce fire risk. Fire management is a key focus under "Future Proofing Goal 4," emphasizing federal and local partnerships and increased self-sufficiency. Director Miller committed to integrating more of these initiatives into the strategic plan and will discuss leveraging federal-level Idaho connections in upcoming staff meetings.

4. State Membership in Timber Protective Associations—presented by Dustin Miller, Director

Recommendation: Authorize state participation as a member of the Clearwater-Potlatch Timber Protective Association and Southern Idaho Timber Protective Association.

Discussion: None.

5. Deficiency Warrant Authority for FY2026 Fire Suppression—presented by Dustin Miller, Director

Recommendation: Authorize issuance of deficiency warrants to pay the fire suppression costs in FY2026.

Discussion: Attorney General Labrador commented the statute says the Land Board may authorize deficiency warrants if the actual cost for suppression exceeds moneys available and asked if costs have already exceeded the available funds. Director Miller answered no; the Department typically requests authorization early in the season because most years suppression costs exceed the funds. Attorney General Labrador asserted the statute does not say if and when costs are exceeded; he remarked that it would be against the statute for the Land Board to approve deficiency warrants today and suggested asking the legislature to revise the statute. Governor Little stated the budget proposal requested keeping a bigger fund available, but the legislature approved a smaller amount. Fixed annual fire costs are \$15–18 million, but in heavy fire years, costs can reach \$40 million or more. Previously, fire suppression was pre-funded, but that policy has changed, forcing a return to using deficiency warrants. The legislature enacted several places in code where deficiency warrants are used. Other states have to hold a special session of the legislature to appropriate the money, like Oregon did last year.

6. Approval of Draft Minutes—May 20, 2025 Regular Meeting

Consent Agenda Board Action: A motion was made by Controller Woolf that the Land Board approve and adopt the Consent Agenda. The motion carried on a vote of 5-0.

Information

7. Proposed Rule IDAPA 20.03.08, Easements on State-Owned Lands—presented by Roger Hall, Bureau Chief-Real Estate

Discussion: Governor Little asked about the fiscal impact of eliminating the fees. Mr. Hall replied that eliminating the fees reduces some upfront revenues, but the overall compensation of the easements covers the loss of removing fees. Governor Little summarized that fees are not covering the Department's administration costs, but appraisals are the biggest expense, and applicants are already paying for those. Mr. Hall voiced agreement.

8. Pre-Season Fire Forecast and Update—introduction by Julia Lauch, State Forester/Division Administrator-Forestry and Fire
 - A. Predictive Services Forecast—Jim Wallmann, Meteorologist, BLM
 - B. Resource Readiness—Josh Harvey, Bureau Chief-Fire Management
 - C. Rangeland Fire Protection Associations—Josh Harvey, Bureau Chief-Fire Management

Discussion: Secretary of State McGrane asked what lessons were learned from last year's major fire season and how the Department is adapting. He noted changes in the landscape (e.g., Wapiti Fire area) and questioned how planning is evolving. Secretary of State McGrane commended the Department's initial attack efforts and highlighted aviation resources as costly but critical tools for early fire suppression. He raised concerns about staffing, housing, and recruiting challenges in the fire service. He asked how the Department is evaluating resource allocation, stating bulldozers and helicopters may be more effective than multiple hand crews.

Mr. Harvey indicated that the Department has improved communication and coordination with federal and state partners. Dispatch processes have been refined to improve accuracy and response time. New interagency efforts and MOUs aim to build stronger Type 3 incident teams across Idaho. Mr. Harvey stated the Department has shifted from a "one-size-fits-all" staffing model to a more strategic, location-based deployment of crews and equipment. Aircraft are staged statewide based on housing availability and rapid deployment needs. The Department is analyzing current and future aircraft needs; a new Type 1 helicopter is being added this year. Staffing limitations affect the ability to expand aviation resources—trained leadership is required to manage them safely. Mr. Harvey said the Department maintains pride in fast, aggressive initial attacks but acknowledges operational constraints.

Secretary of State McGrane asked how the Land Board can better support staffing and resource needs, especially with worsening fire outlooks. He emphasized the need for early intervention in large fires and suggested it is time to rethink wildfire response using new technology (e.g., cameras), observing that generational changes have made fire jobs less appealing. Secretary of State McGrane questioned the effectiveness of gas station fire prevention ads, noting that he has not seen any, and suggested reviewing their impact.

Mr. Harvey acknowledged that it is impossible to fully staff for worst-case scenarios, so the focus is on efficient baseline staffing with flexible, scalable support. He recognized the value of the Land Board's support in enabling rapid decisions and resource deployment during emergencies and stressed the importance of interagency cooperation and readiness to activate additional resources when needed. Mr. Harvey remarked that the gas station ads are part of a broader interagency fire prevention campaign targeting high-traffic corridors and noted that he saw ads at stations in McCall last year. Mr. Harvey reinforced the importance of public awareness in fire prevention, using examples like the danger of dragging chains.

Controller Woolf inquired about the term of the current master agreement (expires in 2027). He highlighted past efforts training ranchers and expressed interest in continuing partnerships with the Associated Logging Contractors (ALC) for training and collaboration. Controller Woolf asked about Department efforts to educate the growing population on preventing human-caused fires.

Mr. Harvey identified the ALC and loggers as key partners, often first on scene for initial attack; maintaining close communication and making equipment signup easy are ongoing priorities. Training and collaboration with contractors are regular and continuous to ensure rapid response capability. The Department runs educational programs targeting all ages, uses federal grants for outreach, and utilizes reader boards to spread prevention messages. Mr. Harvey mentioned that despite prevention efforts, human-caused fires persist; legal action and billing for fire costs serve as a strong deterrent and final enforcement tool. He stressed education is primary, but enforcement remains necessary to hold negligent individuals accountable.

Director Miller thanked Ms. Lauch, Mr. Wallmann, and Mr. Harvey for their presentations, and expressed the Department's top priority is firefighter safety.

9. Fire Strategic Plan—presented by Dustin Miller, Director

Discussion: Controller Woolf asked if there are opportunities to expand partnerships with external agencies (Forest Service, local communities, firefighting organizations) before finalizing fire plans. Director Miller strongly emphasized the importance of interagency partnerships—local, federal, and interstate (e.g., Northwest Compact). He called attention to the goal of building more in-state Type 3 incident management teams to increase Idaho's self-sufficiency. He pointed out that relationships with groups like the Idaho Fire Chiefs Association and the Idaho Office of Emergency Management (IOEM) are stronger than ever and will remain a top priority. Director Miller reaffirmed that collaboration is essential for managing wildfires, especially in the wildland-urban interface.

Secretary McGrane echoed Controller Woolf's call for broader stakeholder input on the fire strategic plan—similar to public rulemaking processes. He emphasized the value of feedback from logging contractors and other key partners to ensure the plan evolves with changing conditions. Director Miller confirmed that partner discussions are already underway with fire chiefs and IOEM. He said the plan is still open for refinement through summer and fall, despite challenges during fire season, and he recognized the importance of continuing the dialogue and soliciting strategic feedback.

Governor Little raised concern about delays in federal reimbursement to contractors, like the loggers, due to shortages of federal procurement officers and warned that if the Forest Service and BLM cannot process payments, it may discourage participation and disrupt large-scale fire responses. He suggested Idaho explore ways to support or supplement federal procurement efforts, possibly through Good Neighbor Authority (GNA). Governor Little requested specific advice and questions from the Department to raise with federal officials, emphasizing the need to act early before major fires erupt. Director Miller agreed to provide targeted recommendations and talking points for federal engagement, leveraging existing strong relationships with national leaders.

Regular—Action Item(s)

10. Legal Representation Policy—presented by Dustin Miller, Director

Recommendation: The Department recommends that the Land Board adopt the Legal Representation Policy.

Discussion: Attorney General Labrador opposed the policy, declaring it is unconstitutional and contrary to state law. He asserted that the Department of Lands is an instrumentality of the Land Board—subordinate, not independent. The Attorney General emphasized that legal representation of the Land Board is constitutionally assigned to the Attorney General, not separate Department attorneys, and claimed only the Department of Lands is exempted in statute to have its own attorneys, and even then, only to represent the Department, not the Land Board. Attorney General Labrador announced he would vote no and criticized the policy's presentation to the Land Board.

Governor Little stated that the policy aligns with Senate Bill 1292. He argued that a shared legal counsel for the Land Board is necessary to fulfill their fiduciary duty to beneficiaries under the trust doctrine. The Governor acknowledged that Land Board members may have separate legal counsel for their own departments, but stressed the need for unified counsel when acting collectively as the Land Board.

Board Action: A motion was made by Governor Little that the Land Board adopt the governance policy as prepared and presented by the Director. Controller Woolf seconded the motion. The motion carried on a vote of 4-1, with Attorney General Labrador voting in opposition.

At 10:21 a.m., a motion was made by Controller Woolf that the Land Board resolve into Executive Session pursuant to Idaho Code § 74-206(1)(b) to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student. Controller Woolf requested that a roll call vote be taken and that the Secretary record the vote in the minutes of the meeting. Secretary of State McGrane seconded the motion. Roll Call Vote: Aye: McGrane, Labrador, Woolf, Critchfield, Little; Nay: None; Absent: None.

Executive Session (Room WW17)

- A. Performance Evaluation—Director, Department of Lands
Idaho Code § 74-206(1)(b)—To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student.

At 10:38 a.m., a motion was made by Controller Woolf that the Land Board resolve out of Executive Session and let the record reflect that no action was taken by the Land Board during Executive Session. Governor Little seconded the motion. Without objection, the Land Board resolved out of Executive Session.

Governor Little noted that Superintendent Critchfield participated in the Executive Session and excused herself at its conclusion to attend to other constitutional obligations.

