



2026 STATE OF THE STATE AND BUDGET ADDRESS

GOVERNOR BRAD LITTLE
JANUARY 12, 2026

Mr. Speaker, Mr. Pro Tem, Mr. President, honored legislators, my fellow constitutional officers, Mr. Chief Justice and members of the judiciary, my wife and your First Lady, Teresa, our family, friends, and my fellow Idahoans.

As Teresa and I begin the final year of my second term as Idaho's 33rd Governor, we are deeply humbled to serve the people of our great state.

These past seven years have only reinforced what we have long known – Idaho and her people are grounded in enduring values.

We are independent and innovative. We act with integrity. And we approach our lives and our work with unwavering grit.

Idaho is evolving. However, through the change we must commit ourselves to preserving our state as the place where opportunity thrives. We must dedicate ourselves to carrying forward the values that define us, making sure they endure for generations to come.

We have some very special guests with us today – Idaho's past three Governors and First Ladies: Idaho's 32nd Governor, Governor Butch Otter and First Lady Lori; Idaho's 31st Governor, U.S. Senator Jim Risch and First Lady Vicki; and Idaho's 30th Governor, Governor Dirk Kempthorne and First Lady Patricia.

These great Governors established the foundation for the success Idaho enjoys today. They brought a passionate, principled, and purposeful approach to leadership. Their decisions prioritized the long-term well-being of our state, which remains central to Idaho's prosperity.

This year, America turns 250 years old, a milestone that invites celebration, reflection, and hope. We also mark the 25th anniversary of 9/11. We remember the patriotism, unity, and sense of community that emerged from that tragedy. In the year ahead, we will build on that spirit by creating new opportunities for communities across Idaho to serve God and one another, and to show our love for our neighbors.

For two and a half centuries, the United States of America has been defined by the idea that freedom and opportunity belong to all. As we look to the future of our great country, this same idea will unite us as it always has. On this 250th commemoration of our country's birth, let's recognize and thank the generations who built this nation and those who defend it today – our active military members and veterans.

As we kick off 2026, we reflect on all that has occurred over the past year – and it was an action packed year! The American people put Donald Trump back in the White House to send shock waves through a system that needed shaking up.

Over the past year, President Trump has reshaped the federal government with a renewed focus on strength and accountability. America's border is finally secure, and President Trump has put forward a pro-America agenda.

Last year, in the Oval Office, I spoke with President Trump about how Idaho exemplifies his vision of America. We're tough on crime. We protect the unborn. We eliminated CRT and DEI, and we led the nation in preventing men from competing in women's sports.

We also talked about how Idaho advances his Talent Strategy for America through Idaho LAUNCH. Together, we are putting the American worker first. Innovative workforce training programs power a modern economy, reinforce America's competitive dominance over China, and help Idaho workers earn more and afford more.

LAUNCH remains one of my top priorities for one simple reason – it's working.

More Idaho kids are choosing to stay in Idaho after high school than ever before. Post-secondary enrollment is declining across the nation, but not in Idaho. Idaho is bucking the trend. Now in year two, LAUNCH is preparing young Idahoans to step directly into the most in-demand jobs in our state, including skilled mechanics, healthcare workers, teachers and others.

I am grateful for the Trump team's support of LAUNCH. I was honored to host Labor Secretary Lori Chavez-DeRemer last year to celebrate it. The Idaho Legislature and I will continue to partner together to help President Trump deliver on his promise to fight for the Idaho worker.

For Idaho, the change from the last administration to having a Republican in the White House now is night and day. Under Biden, Idaho was kept in the dark. Now, we have a real partner at the federal level.

Nowhere is this more obvious than in safety. Ask any law enforcement officer on the ground and they'll tell you – under the last administration, immigration enforcement wasn't just slowed down. It was put on ice.

That changed one year ago.

The American people delivered a mandate – enforce the law and keep our people safe.

And Idaho was ready to step up.

Through Operation No Return, the Idaho State Police are removing dangerous illegal alien criminals from our neighborhoods. We're talking about child rapists, stalkers, violent offenders, kidnappers, and drug traffickers. Idaho is among the safest states in the nation because of our Idaho State Police, and we sincerely thank them.

Our partnership with the Trump administration is delivering real results in other areas as well.

Last year, I was proud to host U.S. Health and Human Services Secretary RFK, Jr. We are showcasing Idaho's leadership in the Make America Healthy Again movement, from restricting cell phone use in schools to eliminating candy and soda in the food stamp program.

We're also partnering with the Trump team to deliver results in energy dominance. The Idaho National Laboratory in Idaho Falls has been at the forefront of nuclear energy research and innovation for decades. Today, under President Trump, America is experiencing a nuclear energy resurgence. We recently hosted Energy Secretary Chris Wright to celebrate the INL's role in strengthening America's competitiveness, boosting energy security, and protecting critical systems from cyber threats. In addition, the INL plays a critical role in supporting the U.S. Navy's mission to safeguard global commerce, reinforce our national defense, and maintain America's dominance over China.

We're also delivering results for rural communities through expanded federal partnerships such as Shared Stewardship and Good Neighbor Authority. These flagship agreements better protect Idaho communities from wildfire, revitalize rural Idaho, and improve forest health through increased logging and active management.

We're also delivering a better quality of life for our people through joint efforts to expand access to outdoor recreation because Idahoans cherish and protect our public lands.

And we're creating jobs through faster and more efficient permitting for a variety of projects, from mining to energy production.

We're also partnering with President Trump to deliver results for Idahoans by championing common-sense values, including education freedom and standing up for women's sports. In fact, tomorrow Idaho goes before the U.S. Supreme Court to defend our first-in-the-nation law to protect women's sports. Idaho will continue to lead, and the rest of the country will continue to follow us, because common sense still matters.

Of course, no look back at the past year would be complete without acknowledging a new addition to the American vocabulary – DOGE.

The term may be new but the principle behind it is something Idaho has long embraced – that elected leaders should always seek to reduce the government’s regulatory footprint in the lives of citizens and maximize government efficiency.

During my time as Governor, together we made Idaho the least regulated state in the nation. We cut or streamlined 95 percent of rules and regulations.

Last year, this body took the next step by passing the Code Cleanup Act, turning our attention – and our scissors – to state statutes. The agencies in my administration got to work, dedicating countless hours to scrub Idaho Code and deliver our Red Tape Rollback report to the Idaho Legislature last fall. The report follows through on a key component of my executive order, The Idaho Act. Our report recommends repealing 145,000 words from state law. The report provides a roadmap to remove outdated, duplicative, and unnecessary laws.

I value the strong collaboration between our two branches as we streamline operations and pursue cost-saving reforms across state agencies. Through my executive order, The Idaho Act, and our work with the Legislature, we’re driving changes that improve performance because that’s what Idahoans expect.

I want to thank the members of the Idaho Legislature for sharing my zeal for cutting red tape. You codified a practice I established through executive order in 2020 – Zero-Based Regulation – forcing a routine review of rule chapters annually.

What was the outcome?

Savings of more than one million dollars and state government that is more transparent, easier to navigate, and less burdensome for citizens and businesses. Looking ahead, we will remain laser-focused on cutting red tape and driving even bolder reforms that fuel economic growth and smarter government. We will do it with the same sharp, disciplined approach that has proven to work in the past.

That spirit of limited, efficient government is woven into our ethos here in Idaho, and it is one of the enduring values that will help us navigate the budget pressures before us.

A balanced budget isn’t just required by the Idaho Constitution – it is the right thing to do. Today, I am delivering my recommendations for Fiscal Years 2026 and 2027. It is called the ENDURING IDAHO plan.

The plan is named with purpose. “Enduring” captures a vision of Idaho that is resilient, strong, and built for the long term. Thanks to years of smart governing, our success is not temporary. It will stand the test of time if we continue to make smart decisions.

A combination of factors has shifted us from years of record budget surpluses – driven by rapid population growth, business expansion, and one-time federal funds – to a period ahead that demands restraint.

Thankfully, the way we have governed in recent years has positioned Idaho to weather the revenue challenges ahead. Together, we used one-time federal funds responsibly – one one-time needs, not ongoing programs that would expand long-term obligations. We invested in critical infrastructure – roads, water, sewer systems, broadband, and state parks, while eliminating years of deferred maintenance in state buildings. We paid down debt, and Idaho now boasts the lowest per-capita debt in the nation. We strengthened our reserves to record levels, earning the coveted AAA credit rating only a handful of states achieve.

Taken together, these actions position us to achieve a balanced budget in the coming years and maintain confidence in Idaho's economic future.

Our ENDURING IDAHO plan makes way for Idaho to conform to the Trump tax cuts achieved through the “One Big Beautiful Bill.”

Idaho already ranks third in the nation for our tax friendliness, but the cost of living remains high. At a time when everything costs more, the Trump tax cuts will provide real relief. They will put more money back in the pockets of Idaho's seniors and working families so they can afford the basics and breathe a little easier. The Trump tax cuts will help Idaho compete for jobs and investment, and they will preserve the core principles I have long advocated for in Idaho's tax system – simple, fair, predictable, and competitive.

As we strive to make life more affordable for Idahoans, my plan ensures the resources are in place to deliver those tax cuts to Idahoans.

Families and businesses across the country are grappling with rising costs, particularly in health care, and states everywhere are feeling the same strain. In Idaho, a fast-growing population adds to that pressure.

However, Idaho's approach to balancing the budget stands in stark contrast to our neighbor – the State of Washington. Washington just broke the record for the biggest tax increase in their history! It is no surprise that Washington business owners who love faith, family, freedom, and keeping more of what they earn are ditching the Evergreen State and coming to Idaho.

Unlike Washington, Idaho won't raise taxes to balance the state budget. In Idaho, we will right-size spending to match the people's means.

Last year, our revenue forecast decreased by close to 14 percent in a few months. That change was driven by several factors – a different approach in the Legislature to revenue forecasting, historic tax cuts, softer sales tax collections as consumer spending adjusted, and ongoing uncertainty around interest rates and the national economy.

Responsible leadership means acting early, not waiting for challenges to grow. That's why we took deliberate steps to right-size spending and identify efficiencies across all agencies.

But we were clear on one thing: K-12 public schools were not subject to cuts.

I sincerely thank our state agency directors and their teams for their dedication to helping balance the state's budget. These are truly top-notch professionals and proud Idahoans committed to doing what's best for our state. We deeply appreciate our agency directors and state employees.

Looking ahead, our ENDURING IDAHO plan balances the budget without cutting into public schools, and we are going to do it while preserving the things that matter most to our long-term wellbeing as a state.

Here's how.

Our plan uses a responsible mix of one-time and ongoing spending reductions to keep the budget structurally sound. Across state government, executive agencies will tighten their belts. We're renegotiating contracts to save money. We're reprioritizing initiatives. We're finding operational efficiencies, and we will make disciplined use of cash balances and interest earnings. All of this serves to limit the impact on Idahoans as we right-size government.

Just as importantly, we will protect Idaho's financial foundation. We will keep money in the bank so we can keep our AAA credit rating. We won't deficit spend, and we won't add new debt like Congress does.

Our plan also right-sizes funding for online schools, enhancing accountability and ensuring long-term sustainability for this important school choice option for thousands of Idaho families.

Folks, some of these budget decisions are tough but we will emerge stronger in the long run because of them.

This is what fiscal responsibility looks like – planning ahead and living within our means.

Our ENDURING IDAHO plan was carefully designed with strategy and foresight to protect what matters most – the things that will keep Idaho strong today, tomorrow, and decades to come.

And that starts with our public schools.

Together, we've increased state support for public schools by 70 percent since I first took office. We significantly raised teacher pay and invested seven times more in literacy programs, driving better reading scores. We made historic investments in school facilities that also served as property tax relief, and we added more discretionary funding so schools can stay flexible and responsive to local needs.

I appreciate Superintendent Debbie Critchfield for her strong partnership in supporting education. She also deserves credit for advancing new solutions for special education students in our public schools.

Education will always be my top priority. Our ENDURING IDAHO plan keeps public schools whole and ensures classroom funding is protected. Idaho's public schools are the heart and soul of our communities – and our children are our future – which is why, even in a year of reduced revenues, schools remain our top priority.

A strong economy for Idaho – now and into the future – requires an adaptable workforce, which is more important than ever in a world where jobs seem to be changing at lightning speed. Our ENDURING IDAHO plan preserves Idaho LAUNCH so that we can support President Trump's goal to expand the working class – the people who drive our economy.

The strength of Idaho's future also relies on the vitality of our rural communities and agriculture sector. That's why our plan maintains the water infrastructure investments we fought for last year. The ENDURING IDAHO plan delivers for our farmers and ranchers – the people who feed and fuel Idaho.

Of course, the health and wellbeing of our people is the key to achieve lasting success. That's why our ENDURING IDAHO plan safeguards access to healthcare, particularly in rural communities. We know the affordability and accessibility of healthcare tops the list of concerns for Idahoans right now. Over the next five years, thanks to the leadership and vision of Idaho's congressional delegation and President Trump, Idaho will invest nearly one billion federal dollars to improve the accessibility and affordability of rural health care.

This investment includes more than \$150 million to strengthen the health care workforce pipeline serving our rural communities. Also, through my ENDURING IDAHO plan, we will build on the progress we've already made to address our physician shortage, committing another \$1 million to support graduate medical education.

This plan tackles one of the most important aspects in the lives of the Idahoans we serve because a healthy Idaho is a thriving Idaho.

My friends, the state of our state is strong. We do face challenges, but we have laid a solid foundation for enduring, long-term prosperity.

That foundation was built not by today's leaders alone but through the work of those who came before us.

Governor Otter guided Idaho through the most severe economic downturn in a century, reinforcing the proper role of government and drawing a clear line between what is nice and what is necessary.

Governor Risch delivered record property tax relief when homeowners badly needed it.

Governor Kempthorne made lasting, foundational improvements to Idaho's transportation system.

And the proof is clear – Idaho’s fundamentals remain among the strongest in the nation. Your dollar stretches farther here than anywhere else. Our unemployment rate is among the lowest in the nation. We lead in personal income growth, and our economic activity continues to outpace most states, reflecting a diverse and resilient economy. Jobs are growing, and Idaho’s healthy business climate remains a magnet for employers, talent, and investment.

I’ve said it before and I’ll say it again – if you’re going to bet on any state, bet on Idaho.

As we approach the 250th birthday of our great nation, we honor our past as we look boldly to the future. We will roll up our sleeves and get to work for the people of Idaho, guided by our enduring values – grit, faith, family, and freedom.

Thank you, and may God bless Idaho and the United States of America.