

STATE BOARD OF EXAMINERS
MINUTES – Subcommittee Meeting
August 11, 2026 – 1:30 p.m.
4th Floor – Syringa Conference Room
700 W. State St., Boise, Idaho

The regular meeting of the Subcommittee to the State Board of Examiners was called to order at 700 W State Street, 4th floor, Syringa Conference Room, Boise, Idaho, at 1:30 p.m. pursuant to Idaho Code §67-2002 and by order of the chair.

The following members were present: Chairman, Justin Collins, Division of Financial Management; Kathy Abbott, Secretary of State's Office, Cori Sarno, Attorney General's Office and Brian Benjamin, Office of the State Controller, as assisting secretary of the subcommittee.

Also present was Gaby Gudino, State Controller's Office and Chanel Tewalt, Idaho State Department of Agriculture.

Attending virtually was Jackie McCleve, State Controller's Office; Laura Steffler, State Treasurer's Office; Grace Paduano, Department of Administration, Division of Public Works; Yolandi Faulkner, Idaho Office of Emergency Management and Greg Wilson, Idaho Department of Education.

CONSENT AGENDA

1. Minutes – Action Item

Approval of official minutes for the meeting of the Subcommittee to the Board of Examiners on July 14, 2026.

Resolution: *Ms. Sarno moved to approve the minutes of the July 14, 2026, meeting. Ms. Abbott seconded the motion. The motion carried on a unanimous voice vote.*

REGULAR AGENDA

2. State Treasurer's Office – Action Item

Request pursuant to Idaho Code §67-1210 for approval of the State Treasurer's annual investment administration fee to be charged to State agencies for FY 2027.

Discussion: *Mr. Benjamin gave a brief overview of the request. Laura Steffler was present online for questions. No questions were posed.*

Resolution: *Ms. Abbott moved to place item 2 on the consent agenda. Ms. Sarno seconded the motion. The motion carried on a unanimous voice vote.*

3. Department of Administration – Division of Public Works - Action Item

Request for recognition of assignment from DNKK, LLC to HE Jerome LLC. A transfer of interest in the real property lease of the State of Idaho, by and through the State Liquor Division, as "Lessee," and Lessee's occupancy of 1104 South Lincoln Avenue, Jerome, Idaho.

Discussion: Mr. Benjamin gave a brief overview of the request. Grace Paduano was present online for questions. Mr. Benjamin noted that the Recognition of Assignment form had not been signed and notarized. Ms. Paduano said she would provide the signed copies; however, if she was unable to locate them, she would defer the item to the following month. Mr. Benjamin said the item could be approved, contingent upon receipt of the correct copy. Mr. Collins asked whether Ms. Paduano had an update regarding the assignment fees. Ms. Paduano stated that their director was taking the matter back to the State Controller's Office for further direction.

Resolution: Ms. Sarno moved to place item 3 on the consent agenda. Ms. Abbott seconded the motion. The motion carried on a unanimous voice vote.

4. Idaho State Department of Agriculture – Action Item

Request for deficiency warrant spending approval as authorized under the Idaho Invasive Species Act of 2008, Section 22-1912, Idaho Code, for the treatment of quagga mussels in the Snake River near Twin Falls.

Discussion: Mr. Benjamin gave a brief overview of the request. Chanel Tewalt was present for questions and gave a brief overview of the request. Mr. Collins asked Ms. Tewalt if she could discuss the funding source used last year and provide a cost comparison between the General Fund and dedicated funding sources, including the costs for the same level of treatment versus a reduced level of treatment. Ms. Tewalt explained that monitoring data shows a significant decrease in the presence of mussels and veligers in the river. From 2023 to 2024, hotspots decreased, and from 2024 to 2025, the distance where veligers could be detected was reduced by approximately half. Preliminary 2025–26 data indicated that only seven mussels and six veligers have been detected, compared with hundreds of veligers in 2023. However, because live mussels and veligers are still present, the eradication program must continue treating a significant portion of the river. Ms. Tewalt noted that eradication programs require continued treatment even as infestations decline and may take several years to complete, meaning costs may not decrease proportionally with the reduction in mussels.

Resolution: Ms. Abbott moved to place item 4 on the consent agenda. Ms. Sarno seconded the motion. The motion carried on a unanimous voice vote.

5. State Controller's Office – Action Item

Notification that the Federal mileage rate has increased 3.5 cents. The federal rate for business use was 72.5 cents since January 1, 2026, and is now 76.0 cents, effective July 1, 2026. The State Controller recommends the State of Idaho consider amending the State Travel policy to reflect the updated mileage rate and recommends the rate be changed to 76.0 cents to match the Federal rate, effective September 1, 2026.

Discussion: Mr. Benjamin gave a brief overview of the request and was present on behalf of the State Controller's Office for questions. Mr. Collins asked if the federal mileage change typically happened in January. Mr. Benjamin confirmed and explained that mid-year changes of this type are not common. He noted that the Board reviewed a 2.5 cent increase in January but due to budget concerns, the increase was held at that time. He said rising vehicle maintenance and fuel costs, along with how the fiscal year ended, supported considering the increase now.

Resolution: Ms. Sarno moved to place item 5 on the consent agenda. Ms. Abbott seconded the motion. The motion carried on a unanimous voice vote.

INFORMATIONAL AGENDA

6. Idaho Office of Emergency Management
- Report of hazmat cost recovery updates for deficiency warrants issued in fiscal year 2026.
7. Attorney General’s Office
- Report of Special Deputy Appointments for the fourth quarter of fiscal year 2026.
8. Idaho Department of Education
- Notification that Alica Holthaus has been approved to accept additional outside employment pursuant to Idaho Code §59-512. Ms. Holthaus will serve as a Capacity Builder with the Idaho Building Capacity Project at the University of Idaho starting October 2023.
9. State Insurance Fund
- a. Estimate of the State Insurance Fund expenses to be paid by sight drafts for the month of July 2026.

Estimated expenditure for workers compensation claim costs, dividends, and premium refunds	\$22,000,000.00
Funds Expended in June 2026:	
Workers Compensation Claim Costs	\$12,345,253.50
Dividends	\$0
Commission	\$0
<u>Policy Refunds</u>	<u>\$191,025.75</u>
Total	\$12,536,279.25

- b. Estimate of the Idaho Petroleum Clean Water Trust Fund expenses to be paid by sight drafts for the month of July 2026.

Estimated expenditure for Idaho Petroleum Clean Water Trust Fund	\$750,000.00
Funds Expended in June 2026:	
Payroll	\$69,041.00
Operations	\$26,636.00
<u>Claim Costs</u>	<u>\$222,785.15</u>
Total	\$318,462.15

Mr. Benjamin gave a brief overview of the informational items. The meeting adjourned at 1:47 p.m.