

# Knock, knock: Otter executive order on federal funding impact really is a big deal

By Wayne Hoffman

Gov. Butch Otter's March executive order is probably the most important public policy action of the last few months. What? You didn't hear about it? Maybe that's because the order got nearly zero media attention. It's perplexing why that is.

The order calls for state agencies to delineate all the federal funds they're getting, and for the governor's Division of Financial Management to make the information available in a report, available in January. As the order states, "it is imperative that elected officials review and understand details of grants being awarded, measure the effectiveness and necessity of federally funded programs and act in the best interest of constituents." Amen.

Idaho, for all the ranting and raving done about the federal government, has become increasingly reliant on Washington, D.C., dollars. How much has our reliance grown in the last 10 years? You'd never guess. It's 82 percent. We're talking billions of dollars used to support some 440 grant programs administered through the state government. And that's just the stuff we know about. To quote Donald Rumsfeld, "There are things we do not know we don't know."

For example, in January, the federal government refused to pay \$14.5 million to operate the Idaho Education Network. This is the network that provides lessons to schoolchildren in communities throughout Idaho. The funding for this important system is not included in any line item appropriation and the funding never gets touched by legislative appropriators. Otter's executive order, we hope, will get to the bottom of such arrangements.

Otter's order will help us better assess the risk of another federal decision to withhold money from Idaho. And it will allow the creation of a prioritization plan. The shocking withholding of money for the education broadband system should be treated like a canary. The potential for an even bigger fiscal crisis caused by financial mismanagement in Washington, D.C., is highly likely.

Last spring, state employees worried that they would lose their jobs as a result of the sequester. And that's another issue: We don't even know which employees or how many are funded in some part by the federal government. Programs that Idahoans have come to depend on are at risk of reduction or closure.

There are not a lot of policies enacted by this administration of which I am fond. This is a notable and significant exception. Getting a handle on the state's dependency on federal funds was an idea that the Otter administration and House Speaker Scott Bedke, R-Oakley, promptly supported and advocated in recent weeks. They worked to get us to this point. It's clear they understand what's at stake should Idaho fail to act. For that, I'm grateful.

More than a third of Idaho's funding comes from the federal government. The federal government is some \$18 trillion in debt. That means we get a large amount of money via an empty treasury. Not exactly a safe investing strategy.

Until we are able to see all the details of the federal grants we're depending on and until we can measure the impacts of that funding and have a plan for action, the state will always be at the mercy of the bureaucrats and politicians in Washington, D.C.