

**BOISE, JANUARY 13, 2025, AT 11:10A.M.**

**IN THE SUPREME COURT OF THE STATE OF IDAHO**

CHILDREN'S HOME SOCIETY OF )  
IDAHO; KUNA EARLY LEARNING; )  
UPRIVER YOUTH LEADERSHIP )  
COUNCIL INC; GIRAFFE LAUGH INC.; )  
WILD SCIENCE EXPLORERS; UNITED )  
WAY OF NORTH IDAHO INC.; UNITED )  
WAY OF SOUTH CENTRAL IDAHO, INC.; )  
UNITED WAY OF SOUTHEASTERN )  
IDAHO, INC.; MARSING SCHOOL )  
DISTRICT; NOTUS SCHOOL DISTRICT; )  
MURTAUGH SCHOOL DISTRICT; IDAHO )  
AEYC; ELIZABETH OPPENHEIMER; )  
UNITED WAY OF IDAHO FALLS AND )  
BONNEVILLE COUNTY, INC.; UPPER )  
VALLEY CHILD ADVOCACY CENTER )  
INC.; TIDWELL SOCIAL WORK )  
SERVICES AND CONSULTING INC.; )  
BASIN SCHOOL DISTRICT; KUNA )  
COUNSELING CENTER, LLC; REAL )  
SOLUTIONS COUNSELING, LLC; LIFE )  
COUNSELING CENTER, INC.; KENDRICK )  
SCHOOL DISTRICT; IDAHO RESILIENCE )  
PROJECT, INC.; HOPE EDUCATION )  
CONSULTING, LLC.; UNITED WAY OF )  
TREASURE VALLEY, INC.; MIDDLETON )  
COUNSELING; CASCADE SCHOOL )  
DISTRICT; KOOLMINDS ACADEMY OF )  
LEARNING; EMMETT SCHOOL )  
DISTRICT; WILLOW CENTER, INC.; )  
COMMUNITY YOUTH IN ACTION, INC.; )  
LINCOLN COUNTY YOUTH CENTER; )  
BRIGHTER FUTURE HEALTH INC.; )  
GREEN APPLE PROJECT; 2C KIDS )  
SUCCEED; PARMA SCHOOL DISTRICT; )  
MADISON SCHOOL DISTRICT; and )  
PLAINTIFF DOES 1-70, )

**Docket No. 50782**

**Plaintiffs-Appellants-Cross-Respondents,** )

**v.** )

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**RAUL LABRADOR, Attorney General of the )  
State of Idaho, )  
 )  
Defendant-Respondent-Cross-Appellant, )  
 )  
and, )  
 )  
LINCOLN WILSON, Deputy Attorney )  
General in the Office of Attorney General, )  
State of Idaho, )  
 )**

**Defendant.**

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Appeal from the District Court of the Fourth Judicial District of the State of Idaho, Ada County. Lynn G. Norton, District Judge.

Chaney Law Office, Caldwell, for Appellants-Cross Respondents.

Raúl R. Labrador, Idaho Attorney General, Boise, for Respondents-Cross Appellants.

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This case involves an investigation by the Attorney General into how Community Partner Grant Program funds were spent by certain Grant Recipients. To combat learning loss arising from the COVID-19 virus, Congress, through section 2201 of the American Rescue Plan Act, allocated supplemental discretionary resources to states to implement childcare development programs. Federal guidance required these funds to be used for children ages 13 and younger. Starting in 2021, the Idaho Legislature appropriated these funds to the Idaho Department of Health and Welfare for distribution via the “Community Partner Grant Program.” The appropriation bills specified that grants “shall be used for serving school aged participants ages 5 through 13 years.” To distribute the funds, IDHW promulgated guidelines for the grant program and solicited applications. Over 80 recipients received grant funds in 2021 and 2022.

The program seemed to run smoothly in 2021 and 2022, but in 2023 the Attorney General undertook an investigation into how the funds were being used. The Attorney General believed that certain Community Partner funds had improperly been used to serve children ages zero to five in violation of the Idaho Legislature’s appropriation bills. In March of 2023, the Attorney General served over 30 Grant Recipients of the grant funds with Civil Investigative Demands (“CIDs”) pursuant to Idaho Code § 48-611(1). The Attorney General believed the grant funds to be “charitable assets” and therefore subject to his authority to enforce the Idaho Charitable Assets

Protection Act. The CIDs demanded a response within 20 days. Instead of replying, the Grant Recipients filed a petition in district court asking for the CIDs to be modified or at least an extension to reply. The Grant Recipients also sought a preliminary injunction to set aside the CIDs. In response, the Attorney General provided several declarations of confidential informants who might provide testimony on the mismanagement of the Community Partner funds. After an Idaho Rule of Evidence 509 in camera review of the confidential informants' declarations, the district court granted in part and denied in part the preliminary injunction. The district court denied a preliminary injunction as to 15 Grant Recipients and ordered them to respond to the CIDs. However, as to 19 other Grant Recipients, the district court granted a preliminary injunction.

Subsequently, Grant Recipients requested leave to file a permissive appeal, and the district court recommended that this Court grant an interlocutory appeal. The Idaho Supreme Court granted the interlocutory appeal to consider the district court's preliminary injunction ruling and whether the district court's in camera review was proper.