

Week 4 Idaho Legislative Update for January 31 – February 4, 2022

The fourth week of the Sixty-Sixth Idaho Legislature's Second Regular Session contained many more committee meetings and increased floor sessions. The first two bills have passed both bodies and earlier today, the Governor accompanied by the Senate Pro Tem, House Speaker, and Chairmen of the tax committees, signed the largest income tax cut in Idaho history into law. Passing a historic \$600 Million dollar tax cut is newsworthy, but having it be the first bill of the legislative session signed into law is front page, top of the fold news for sure.

Bills, rules, budget presentations, and confirmation hearings for Gubernatorial Appointments by the Senate are all underway. Legislative Services Office (LSO) is working night and day to keep up with drafting, and re-drafting, legislation as the session continues to speed up. Many of the rule's dockets have worked their way through both the House and Senate Committees while other rules have found persnickety committees who couldn't agree. There are rumors of reinstating the traditional process and the "go home bill" that enacts the rules at the end of each session to help limit the confusion and disfunction, but without it, committees remain in a quagmire of rules that have litter or no changes waiting to be approved and enacted.

Several committees have also been working diligently through presentations on ARAP and the federal funding that is being infused into state and local government in Idaho. This is especially interesting as the Governor's Office and agency directors are doing outreach to both the budget committees and the germane policy committees as a part of the Governor's Leading Idaho initiative. Ultimately, this effort will culminate in the passing of budgets in a few weeks.

Many more polices are expecting introduction next week as committees that meet in the afternoon reach their deadlines and lose their privilege to meet without permission of leadership. There is also a desire by policy makers to try to get their bills heard before budget setting begins in mid-February. As committees hit fast forward, the list of bills being considered by the House and Senate in floor sessions grows. As February continues, floor debates begin taking up the bulk of the day and morning committees continue. This process is another signal that the Idaho legislature is back to normal and working towards "Sine Die" adjournment in a traditional timeframe this year.

Legislators remain friendly and are working diligently but also taking time out for social activities, receptions, and gatherings. For many new legislators, this is their first experience with receptions, and it has created an inimitable comparison to last year's difficult and long-lasting session. Republican Leadership in the House and Senate working with the Governor on major policy issues has also created an interesting dynamic for legislators who campaign on fighting against them as they ae now stuck voting for or against large policy wins that they can't otherwise take credit for.

All constitutional officers and all 105 legislators are also focusing in on the upcoming May Primary Elections. It is top of mind for all elected officials in the Capitol and many of their challengers have begun working the halls and meeting with the politicos in downtown to elicit support for their efforts to serve a newly drawn district or as a statewide officeholder. This creates fascinating undercurrents as former friends and seatmates now may choose to face each other on the ballot after being political and policy allies for many years. But before they campaign, they must finish their work in the capitol.

In addition to this report, all bills from the 2022 Idaho Legislative Session can be viewed through the <u>Idaho State</u> <u>Legislative Website</u>. The Governor's Bill Tracker can be viewed <u>HERE</u>. For more information on any policy or process, please contact us. A link to the Governor's State of the State Address and Budget Highlights can be viewed <u>HERE</u>.



Policies, Appropriations and Rules Updates:

Policies

HB 443 – Creation of the Public School Health Insurance Fund Awating Treatment by Governor

HB 443 would amend current State Code to establish the Public School Health Insurance Fund and remove provisions regarding leadership premiums. The Fund will be filled with one-time dollars used to cover expenses incurred by public school districts entering the State's health plan (including dental). If demand exceeds cash availability, the Department of Education will administer payments on a first-come, first-serve basis. As a "trade off", the special premium for leadership is removed from this section of Code.

Sponsors: Rep. Rod Furniss (R-35), Kerby (R-9), and Horman (R-30) - this bill also has twenty co-sponsors

HB 436 – Income Taxes Signed by Governor

HB 436 makes several changes to Idaho State Code in an effort to cut taxes. First it takes the income tax brackets from five down to four. It also lowers each brackets rate to 1%, 3%, 4.5%, and 6% starting January 1, 2022. This results in an estimated \$250 million in ongoing income tax relief.

This bill also uses \$94 million in funds amassed from online sales tax to provide a one-time sales tax rebate for all Idahoans who file an income tax return, regardless of whether they owe or not. The State will return the greater amount of either 12% of personal income tax from 2020 or \$75 for each taxpayer and dependent, the sales tax rebate for all Idahoans is estimated to be a total of \$350 million statewide and one time.

Sponsors: Rep. Harris (R-21) and Co-Sponsored by Rep. Moyle (R-14), Sen. Rice (R-10), and Sen. Grow (R-14).

HB 444 - Extending Sunset of Coronavirus Limited Immunity Act (70-0) Passed the House – Senate Judiciary & Rules HB 444 intends to extend the end date of the Coronavirus Limited Immunity Act from July 1, 2022, to July 1, 2023. Sponsors: Rep. Young (R-31), Kerby (R-9), and Skaug (R-12) – co-sponsored by Sen. Lakey (R-12) and Rep. Monks (R-22).

<u>HB 445 – Care of Vaccines, Antitoxins, and Other Sera</u> (70-0) Passed the House – Senate Health & Welfare HB 445 repeals Section 39-1501, which relates to vaccines, antitoxins, and other sera. The section has been noted to be outdated.

Sponsor: Rep. Blanksma (R-23).

HB 446 – Controlled Substance, Nabiximols (65-5) Passed the House – Senate State Affairs

HB 446 revises Uniformed Controlled Substances Act to update the definitions of "marijuana" and "tetrahydrocannabinols" under Idaho's Uniform Controlled Substance Act to exclude nabiximols in a drug product form approved by the FDA. The passage will allow nabiximols to be prescribed after the approval of the drug from the FDA and scheduled by the DEA.



HB 450 – Unemployment Insurance Tax Rates (69-0-1) Passed the House – Senate Commerce & Human Resources

HB 450 would maintain the base tax rate for unemployment insurance on employers at 2021 levels for years 2022 and 2023. Per the Fiscal Note and Statement of Purpose, this legislation would result in a \$64 million decrease in the Unemployment Insurance Trust Fund over two consecutive years, reducing the tax burden on Idaho businesses that same amount over the two-year period.

Sponsor: Rep. Syme (R-11).

HCR 029 – Intervention & Severe Emotional Trauma (42-25-3) Passed the House – Senate Judiciary & Rules Committee

This resolution aims to heighten awareness within the legislative body and greater network of state personnel of the short and long-term impacts of childhood trauma have on people and encouraging the implementation of appropriate intervention techniques in their intrapersonal relationships.

Sponsors: Sen. Nelson (D-5), Agenbroad (R-13); Rep. Green (D-18), Lickley (R-25).

HCR 30 – PANDA/PANS Awareness Day House Health & Welfare Committee

Every year since 2019, the Governor has issued a proclamation declaring October 9th "PANDA/PANS Awareness Day". This resolution seeks to have the legislature declare October 9th, 2022 "PANDA/PANS Awareness Day" to support the thousands of children and families across Idaho affected by these conditions. **Sponsor: Rep. Mathias (D-19)**

HB 461 – Armed Forces Scholarships House Education Committee

Currently, the state Armed Forces Scholarship's availability is exclusive to family members of armed service members killed in combat. The intent of this proposal is to expand the availability of this opportunity to families of those lost in training incidents. This idea came from the Army National Guard incident near Lucky Peak in February 2021 where three lives were lost in a helicopter crash.

Sponsor: Rep. Mathias (D-19).

HB 464 – Workers Compensation Claims & Vaccine Mandates House Floor Committee

This proposal would update existing law to include vaccine-related complications as a result of employer vaccine mandates as being a compensable incident.

Sponsors: Rep. Monks (R-22) and Rep. Skaug (R-12).

HB 465 – Rights of Purchase, Possession, and Control of Digital Assets House Business Committee

The intent of this legislation is to insert a definition into State Code for digital assets, classifying them as personal property, and specify what the rights of purchase, possession, and control of those assets are. **Sponsors: Rep. Manwaring (R-29) and Sen. Riggs (R-3).**

<u>SB 1233 – Shared Investigation Authority – DOPL</u> Senate Commerce & Human Resources Committee

This bill hopes to enable across-the-board collaboration between Department of Occupational & Professional Licenses (DOPL) boards and commissions to improve transparency and efficiency during investigations. **Sponsor: Sen. Souza (R-4)**



SB1236 – State Health Savings Accounts Senate Floor

S1236 intends to update the Department of Administration's provisions for state employee health savings accounts. This allows employeers to deposit no more than the difference between the highest deductible health plan and the lowest deductible health plan per month.

Sponsor: Sen. Thayn (R-8)

SB1239 – Legislative Session Uniformity Senate State Affairs Committee

Ensures that each regular session of the legislature shall adjourn by a certain date. It is intended to keep the legislative session uniform and part time but makes exceptions for declared disasters and emergency events. **Sponsor: Sen. Guthrie (R-28)**

SB1244 – Occupational Licenses Senate Comemerce & Human Resources Committee

S1244 repeals requirement to establish an advanced practice registered nurse advisory board, but the administrator of DOPL may create and discontinue committees are they see fit. Technical corrections have also been added this language.

Sponsor: Sen. Riggs (R-3)

SB1245 - Board of Pharmacy Definitions Senate Floor

S1245 repeals Section 54-1704 which relates to various pharmaceutical definitions. Technical corrections to the language and the removal of definitions have been made that are reflected in other relevant section. This bill does not add new requirements but is used to add clarity.

Sponsor: Sen. Harris (R-32)

SB1246 - Uniform Controlled Substance Act Senate Floor

S1246 to meant to reflect the DEA controlled substance decisions for 2021. This includes synthetic opioids in Schedule I, opiates in Schedule II, and anticonvulsant substance in Schedule V. **Sponsor: Sen Wintrow (D-19)**

HB 505 – Postsecondary Credit Scholarship House Education Committee

This proposal would seek to remove the academic merit requirement for business or industry scholarship matches. **Proposed By: Office of the State Board of Education**

HB 506 – Armed Forces Scholarships House Education Committee

This bill would simply make technical corrections that change references to the US Social Security Administration to the Idaho Division of Veteran Services.

Proposed By: Office of the State Board of Education

HB 513 – Cash Purchase Protection House Revenue & Taxation Committee

Prevents from businesses from restricting against cash forms of payment. Shortages of cash tender have placed restrictions on populations, and some do not use digital currency, so this bill will give consumers protection to always have an option to pay in cash. The bill will allow for cash to be used at all in-person businesses. Each business would have discrepancy to set cash limits to accept cash up until the set amount. **Sponsor: Rep. Scott (R-1).**



HB 514 – Facial Covering Requirements House State Affairs Committee

Prevents government entities from mandating face coverings for containing and preventing infectious diseases. This applies to the State of Idaho, a political subdivision, or an officer of the state. **Sponsor: Rep. Hanks (R-35).**

HB 515 – Public Health Districts and Boards, Clarifications House Health & Welfare Committee

This bill would amend State Code to reflect the status of Public Health District/Board employees as not being employees of the State of Idaho.

Proposed By: DHR

HB 516 – Clarification Surrounding Public Health Districts House Health & Welfare Committee

HB 516 would add clarifying language in State Code that would enable Public Health Districts to create personnel support systems that establish rates-of-pay for appointments, demotions, promotions, separations, and other actions. **Proposed By: DHR**

HB 518 – Streamlining the Worker's Compensation Process House Commerce & Human Resources Committee

HB plans to streamline the worker's compensation process for the parties involved who wish to settle instead of going to trial. To speed the process up, the bill intends to eliminate the approval needed from the Industrial Commissioners. This does not apply to cases involving a minor or a legally incompetent person. The Industrial Commission will still require submitting information regarding the settlement.

Sponsor: Rep. Skaug (R-12).

HB 534 – State Insurance Fund House Commerce & Human Resources Committee

Intends to allow the State Insurance Fund (SIF) to transition from state vacation and leave programs to Paid Time Off (PTO) and holidays. This would align more with private sector positions. The bill will digitalize their financial transaction offerings with online banking and mobile applications without the approval of the State Controller's Office and Treasurer's office.

Sponsor: Rep. Gestrin (R-8), Sen. Lakey (R-12) - four co-sponsors

SB 1256 - Notarization Process for Background Checks Senate Health & Welfare Committee

Change would allow for electronic signatures to be used when background checks are notarized. This proposal hopes to expedite notarization process, eases regulatory burden, and reduces costs on those that need those checks performed.

Proposed By: Criminal History Unit, DHW

SB 1257 – Southwest Idaho Treatment Center Classification Senate Health & Welfare Committee

Current Statute makes it tough for SWITC to turn towards a community re-entry model of care under current regulations. To help address this, the proposal would remove the definition of ICT/IID (Intermediate Care Facility) as it applies to the Southwest Idaho Treatment Center.

Proposed By: Family + Community Services, DHW

SB 1258 – Authority, State Hospitals and Treatment Facilities Senate Health & Welfare Committee

This bill would amend the current list of state institutions by adding State Hospital West. **Proposed By: Behavioral Health, DHW**



SB 1259 – Medicaid, Certified Caregivers, and Property Taxes Senate Health & Welfare Committee

In-home caregivers and home-bound persons. Certified Family Home. You receive Medicaid reimbursement for housing those people, and for some, that would bump you above the circuitbreaker, but only at the state/local level. About 2,500 homes, serving over 3,000 residents. About \$50 per day, where them being institutionalized is around \$100 per day, resulting in a cost-saving for the State.

Sponsor: Sen. Wintrow

SB 1260 - Contraception Senate Commerce & Human Resources Committee

Allows contraception to be prescribed in six-month intervals. There is also language added that would require shorter prescription intervals for "new users". (Unanimous Approval - to be Sent for Printing) **Sponsor: Sen. Wintrow**

HB 510 - State & Local Taxes, Businesses House Revenue & Taxation Committee

This proposal aims to "make technical corrections to legislation passed in 2021 (HB 317)". That bill allowed Affected Business Entities (ABE's) to elect to pay state income taxes on behalf of their owners, making those payments deductible from their federal taxes. This new bill would extend that election opportunity to trusts, estates, and ABE's with owners that have no Idaho income tax liability.

Sponsor: Rep. Okuniewicz (R-2)

SB 1270 – Down Syndrome Diagnosis Information Senate Health & Welfare Committee

This bill is an informational proposal that will not be mandatory but will provide parents with making an informed decision regarding testing for a down syndrome diagnosis. This bill intends to broaden the audiences targeted and adds an annual review by medical experts and the Idaho Down Syndrome Council. **Sponsor: Sen. Martin (R-15).**

Appropriations and Budgets

As appropriations for agencies and projects are considered they will be tracked here.

<u>Rules</u>

<u>HERE</u> is the link for the Index of all Proposed Rules seeking legislative approval. Committees in both the House and Senate are assigned rules to approve. As a reminder, if a rules docket pass either House or the Senate, they are set to go into effect but need to be enacted by legislation or executive order.

Rules Accepted:

<u>16-0000-2100</u> - Notice of Omnibus Rulemaking, Department of Health and Welfare (with the exception of chapter 16.03.09)

<u>16-0000-2100F</u> - Notice of Omnibus Rulemaking (Fee Rule), Department of Health and Welfare <u>15-0100-2100</u> – Omnibus Rulemaking - Proposed Rule, Office of the Governor, Idaho Commission on Aging <u>04-0000-2100</u> - Notice of Omnibus Rulemaking - Proposed Rule, Office of The Attorney General, Page 5-91 <u>34-0000-2100</u> - Notice of Omnibus Rulemaking - Proposed Rule, Secretary of State, Page 357-376 <u>34-0000-2100F</u> - Notice of Omnibus Rulemaking (Fee Rule) - Proposed Rule, Secretary of State Page 78-111 <u>38-0000-2100F</u> - Notice of Omnibus Rulemaking - Proposed Rule, ID Dept. of Administration, Page 377-417 <u>38-0000-2100F</u> - Notice of Omnibus Rulemaking (Fee Rule) - Proposed Rule, Id Dept. of Administration, Page 112 <u>21-0000-2100F</u> - Notice of Omnibus Rulemaking (Fee Rule) - Pending Rule – Idaho Division of Veterans Services



18-0000-2100F Notice of Omnibus Rulemaking (Fee Rule) - Pending Rule – Department of Insurance

18-0000-2100 Notice of Omnibus Rulemaking - Pending Rule – Department of Insurance

<u>18-0201-2101</u> Insurance Rates and Credit Rating (New Chapter) - Pending Rule

18-0305-2101 Credit Life and Credit Disability Insurance (New Chapter) -Pending Rule

18-0401-2101 Health Carrier External Review (New Chapter) - Pending Rule

<u>18-0402-2101</u> Complications of Pregnancy, Newborn, and Adopted Children Coverage (New Chapter) - Pending Rule

18-0407-2101 Restrictions on Discretionary Clauses in Health Insurance Contracts (New Chapter) - Pending Rule

18-0410-2101 Medicare Supplement Insurance Standards (New Chapter) - Pending Rule

<u>18-0604-2101</u> Continuing Education (New Chapter) - Pending Rule

09-0000-2100 Notice of Omnibus Rulemaking - Pending Rule – Department of Labor

59-0000-2100 Notice of Omnibus Rulemaking - Pending Rule – Public Employees Retirement System of Idaho (PERSI)

16-0000-2100 - Omnibus Rulemaking – Proposed Rule – Department of Health and Welfare

16-0000-2100 - Section 16.03.09.772.01(c) Held in Committee – Department of Health and Welfare

16-0000-2100F - Omnibus Rulemaking (Fee Rule) - Proposed Rule – Department of Health and Welfare

<u>15-0200-2100</u> - Notice of Omnibus Rulemaking - Proposed Rule – Office of the Governor Idaho Commission for the Blind and Visually Impaired

<u>18-0000-21000</u> - Notice of Omnibus Rulemaking - Amendment to Temporary Rule, p. 115; 18.01.01 - 18.08.01, pp. 119 - 346 – Department of Insurance

18-0604-2101 - Continuing Education (New Chapter) - Proposed Rule, p. 400

<u>18-0402-2101</u> - Complications of Pregnancy, Newborn, and Adopted Children Coverage (New Chapter) - Proposed Rule, p. 364

15-0400-2100 – Notice of Omnibus Rulemaking – Pending Rule – Idaho Division of Human Resources

<u>15-0100-2100</u> - Notice of Omnibus Rulemaking - Proposed Rule – Idaho Commission of Aging

15-0200-2100 - Notice of Omnibus Rulemaking - Proposed Rule – Commission for the Blind and Visually Impaired

<u>16-0000-2100F</u> - Notice of Omnibus Rulemaking (Fee Rule) - Proposed Rule – Department of Health and Welfare

24-0000-2100 - Notice of Omnibus Rulemaking - Proposed Rule – Division of Occupational and Professional Licenses

<u>24-0000-2100F</u> - Notice of Omnibus Rulemaking (Fee Rule) - Proposed Rule – Division of Occupational and Professional Licenses

Appointments

- Margaret Henbest of Boise, Idaho, was reappointed to the Idaho Health Insurance Exchange Board
- Brett Thomas had his senate Confirmation Hearing Thurday for appointment to the Idaho Health Insurance Exchange Board