

Week Two Idaho Legislative Update for January 16 – January 20, 2023

In the second week of the Sixty-Seventh Idaho Legislature's First Regular Session, legislators have started to get their feet under them as committees ramp up the process of administrative rules and introducing bills. Some new members of the Legislature are being sure to ask plenty of questions in their committees while others are already running their first bills. The fanfare and excitement of the first week have faded and Idaho is now engrossed in the work of the session.

The Joint Finance-Appropriations Committee (JFAC) members began budget hearings this week. Each agency, starting this week, gives a budget request overview and preps for extensive sessions on budgets with numerous pointed questions. The Idaho Department of Health and Welfare (IDHW) spent most of the week in JFAC reviewing the assorted divisions they oversee. Many members are looking for ways to cut spending and limit the use of federal funds without having a full understanding of the process first.

Many of the eleven (11) new JFAC members have been extremely critical of the budget presentations thus far, peppering the agency directors and staff with pointed questions about programs, operations, costs, and more. It has been interesting to see how the new Co-Chairs and Co-Vice Chairs manage the committee and will only be more interesting once they decide how to vote as the budget-setting process begins in a couple of short weeks.

The first major political battle in the Capitol this year, led by Speaker Moyle, is changing JFAC rules to force the House and Senate members to vote separately. Historically, all members will vote during the same roll call vote. If this rule was to change, the process could potentially be weaponized to sink different agency budgets. Speaker Moyle has stated that the change would be to eliminate arguments on the House Floor for contentious budgets, but many, including most senators, are skeptical of this effort, and it has stalled the traditional work of passing supplemental adjustments (spending from last year) and deficiency warrants (past due bills from agencies).

Another major fight looming in the Capitol is the possible change to the rule's approval process. Many committees have opted to consider approval of their assigned administrative rules at the end of the legislative session, as opposed to the first few first weeks when rules are typically decided on. This is in large part due to the House wanting to have all rules pass both bodies in order to be ratified. Currently, rules go into effect if either chamber accepts them.

Amidst the many political and social bills introduced in the first two weeks of session, the first major priority bill was unanimously introduced in House Commerce Thursday afternoon. <u>House Bill 19</u> the "Idaho Launch Grant Program and In Demand Careers Fund" will now be considered in committee as early as next week.

The goal is to allow graduating Idaho high school students, starting with the class of 2024, to apply for a grant of up to \$8,500. This grant can be used through the Idaho Launch website portal, where students can select a program of their choosing for workforce training, CTE, community college, or an Idaho college of their choice. Up to \$10 million of the remaining appropriated funds can be used to provide additional funding to eligible students or adult learners.

Additional funds will also be transferred from the Opportunity Scholarship Program and Postsecondary Credit Scholarship to further workforce training for in-demand careers as these funds are sunset on June 30, 2023. This is \$22 million of additional funds to be used on top of the \$80 million that is earmarked for the In-Demand Careers fund, totaling at \$102 million for investments into our future needed workforce.

We are now in the throes of the session, bills are being drafted and redrafted, and committees have begun their work. While there is a long way to go to get your priorities over the finish line, the new class of legislators are in and working with the rest of the legislature and hourly and daily progress is being made.

All bills from the 2023 Idaho Legislative Session are on the <u>Idaho State Legislative Website</u>. The Governor's Budget Recommendation Highlights can be found HERE. The JFAC Budget Hearing schedule can be found HERE.



Policies

As bills that are of interest to you start arising, they will appear under this section.

Appropriations and Budgets

As appropriations that are of interest to you start arising, they will appear under this section.

Rules

HERE is the link for the Index of all Pending Rules seeking legislative approval. Committees in both the House and Senate are assigned rules to approve. As a reminder, if a rules docket passes either House or the Senate, they are set to go into effect but need to be enacted by legislation or executive order. Once a pending rule is approved, a (+) symbol will appear in front of the docket number. If a pending rule is not approved by the Legislature a (-) will appear in front of the docket number.

IDAPA 18 – DEPARTMENT OF INSURANCE

- 18-0701-2201 Acquiring Control, Insurance Holding Company Systems and Mutual Insurance Holding Companies (ZBR)
- <u>18-0702-2201</u> Reserve Liabilities and Minimum Valuations for Annuities and Pure Endowment Contracts (ZBR Chapter Rewrite)
- <u>18-0703-2201</u> Valuation of Life Insurance Policies Including the Use of Select Mortality Factors (ZBR Chapter Rewrite)
- 18-0708-2201 Property and Casualty Actuarial Opinion Rule (ZBR Chapter Rewrite)

IDAPA 16 – DEPARTMENT OF HEALTH AND WELFARE

- <u>16-0309-2201</u>- Medicaid Basic Plan Benefits (Pending Rule)
- 16-0317-2201 Medicare/Medicaid Coordinated Plan Benefits (ZBR)

IDAPA 59 – PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO (PERSI)

59-0101-2201 - Public Employee Retirement System of Idaho (PERSI) – (Notice of Proposed Rulemaking)

Appointments

Appointments approved by Senate Committees, are confirmed by the full Senate. As appointments are confirmed, they will appear below.