



Week Four Idaho Legislative Update for January 30 – February 3, 2023

In the fourth week of the Sixty-Seventh Idaho Legislature's First Regular Session committees are in full swing and bills are finding their way across the House and Senate floors. Many nonprivileged committees will soon lose their permission to introduce new bills. While other committees will continue ahead of print and transmittal deadlines that are fast approaching. Privileged committees in the House include Education, Health and Welfare, Revenue and Taxation, and State Affairs with the addition of Ways and Means which is expected to be used by House Leadership more as session continues. In the Senate, the privileged committees are State Affairs and Judiciary and Rules.

Traditionally many of the big-ticket items are out and at the forefront for discussion by this point of session but with looming deadlines and no solution to the budget committee logjam many legislative ideas expected this session remain in early iterations or entirely aloof. That said, we saw dozens of new bills introduced this week including a plethora of administrative and agency bills. Some big-ticket items have shown progress including the introduction of adding fentanyl to the mandatory minimums, expansion of the Idaho launch program, and the long-awaited property tax bills from Speaker Moyle, Chairman Grow, and Chairman Skaug who all introduced their property tax bills on Thursday with no commitment they would move forward.

Chairman Grow's bill focuses on homeowner property tax relief, while Chairman Skaug's bill intends to restore the annual indexing of homeowner's exemptions. This would reestablish the homeowner's exemption amount when the annual index was removed in [HB431-2016](#). Speaker Moyle's bill would establish funding for the School District Facilities Fund, intended to fund schools to bring property tax relief. These bills represent much of the work done over the interim but also show the fracturing and divide that has plagued the property tax fights over the last several years.

JFAC has two more weeks of hearing agency presentations prior to starting to set budgets. The Committee's goal is to begin setting budgets on Tuesday, February 21, 2023, but they are several days behind already. Committee members are starting to feel the pressure to find a solution to Speaker Moyle's demand of the votes being counted separately for the House and the Senate. Pro Tem Winder and Speaker Moyle inched closer to a compromise this week, but the agreement fell apart. We hope to see a final compromise by the end of next week to start not only getting the supplementals processed, but all appropriations through within the coming weeks. If no agreement is to be had between the House and Senate, they prolong their time in session and begin missing deadlines for use of federal funds costing Idahoans millions.

Committee hearings on bills will continue as the weeks go on. This means longer and more contentious committees, as well as lengthy floor debates. The transmittal deadline is March 6th, where the two chambers aim to have all bills sent to the other side for committee consideration. The first bills of session made their way this week. House and Senate reading calendars remain short but will start to grow longer leading to multiple floor sessions as the shortest month of the year begins to feel like the longest.

The rules process continues to be tinkered with behind the scenes, but for now, most committees are carrying on with approving their administrative rules. Senate State Affairs was able to approve all their assigned rules for the session, but House State Affairs, like many other committees, continue to drag their feet in starting to hear and approve rules. This will only become more burdensome to committee members as the session continues and their workload grows.

We are consistently looking and listening for intel and opportunities for you to advance your priorities. We continue to advocate for your positions and update you as we see things progress. Please do not hesitate to reach out to our team if you have questions, concerns, or need anything.

All bills from the 2023 Idaho Legislative Session are on the [Idaho State Legislative Website](#). The Governor's Budget Recommendation Highlights can be found [HERE](#). The JFAC Budget Hearing schedule can be found [HERE](#).



HB 26 - Relating to Children's Mental Health Services and Medicaid - House Health and Welfare

The purpose of this legislation is to amend Section 16-2428, Idaho Code, regarding confidentiality and disclosure of information records. It seeks to clarify Idaho Code in the chance of a parent or guardian to appeal or deny Medicaid or insurance coverage. It would add the word Medicaid and the phrase "to carry out the treatment plan."

Sponsor: Rep. Erickson (R-33)

SB 1020 - Relating State Health Insurance – Senate Floor

Would repeal the requirement for the Office of Group Insurance to publicize rules for determining the eligibility of participants in the state's health insurance plan. The eligibility is determined based on the healthcare provider.

HB 77- Relating to Homeowner Property Tax Relief – House Revenue and Taxation

This would be a new section to Chapter 7 Title 63 Idaho code being designated 63-724. This bill would have an impact on property tax relief for the primary residents of Idaho homeowners. The bill will dedicate 4.5% of annual sales tax revenues by subtracting a part of each homeowner's total property tax bill. For 2023 \$150 million will be appropriated from FY 2023 General fund surplus to begin this relief in the first year after the passage of the bill

Sponsor: Sen Grow(R-14)

HB 78- Relating to Property Taxes - House Revenue and Taxation

This would amend Idaho Code Section 63-602G. This would restore an annual index based on the sales prices of Idaho's homes. The legislation would reestablish the homeowner's exemption amount as an accurate representation of sales prices of Idaho single-family residences. This would preface the Property Tax Fairness Act. It would enhance this by promoting fairness to all categories being the owner-occupied properties, irrespective of differences in assessed values, the percentage of assessed valuation eligible for exemption increases from 50%-55%, so long as it does not exceed \$224,360 in 2024.

Sponsor Rep Skaug (R-12)

HB 79- Relating to School Property Taxes – House Revenue and Taxation

The purpose of this legislation would be to provide immediate, ongoing, and permanent property tax relief to school districts. It would provide \$300 million to districts based on average daily attendance. The order of payments from priority order would be payment of school bonds, school levies, expenses necessary to provide for safe school facilities and address life, safety, and health issues, and lastly school facilities that need construction. This bill would eliminate 2 of the 4 election dates that districts can run elections. It would also increase the homeowner's exemption to \$150,000, and the limitations for individuals to qualify for the circuit breaker. Both cities' and counties' obligation to fund public defense is eliminated and the funding source is permanently moved to an ongoing source of revenue.

Sponsor: Rep Moyle (R-10)

Appropriations and Budgets

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



[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)

(+) [18-0702-2201](#) - Reserve Liabilities and Minimum Valuations for Annuities and Pure Endowment Contracts – (ZBR Chapter Rewrite)

(+) [18-0703-2201](#) - 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

[16-0309-2201](#) - 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.

- Rod Higgins was confirmed by the Senate to the State Insurance Fund Board on January 24, 2023.
- Terry Gestrin was confirmed by the Senate to the State Insurance Fund Board on January 24, 2023.