

Week Eleven Idaho Legislative Update for March 18 – March 22, 2024

In the eleventh week of the Sixty-Seventh Idaho Legislature's Second Regular Session, the Legislature's proposed adjournment date is now behind us. The Legislature is working to wrap up soon, but we anticipate the Legislature may recess to allow Governor Little the time necessary to take action on the bills that will come across his desk. If the Governor does veto any bill(s), the House or Senate may attempt to override the veto with a 2/3 majority vote before they adjourn "Sine Die". While we don't yet know the end date, we know we are getting close.

On Tuesday, the Speaker of the House moved the Launch funding bill, <u>HB 772</u>, to the Ways and Means Committee. A rare move. On Thursday, the funding bill was moved back to the floor for the whole body to vote on. The House and Senate traded bills to clear up the log jam that has been preventing bills from moving forward. <u>HB 521</u> – Income Tax and School Facilities passed the Senate (23-11-1) and HB 722 – Workforce Development Trailer including Idaho Launch passed the House (39-31) nearly simultaneously.

The two priority bills have been heavily contested, and major priorities for the Governor this session. Some Senators had major concerns with HB 521, leading to multiple caucus meetings and nearly a month's time of the bill being held. One of the concessions to allow HB 521 to be voted on by the Senate was the introduction of four (4) trailer bills to consider solving a few of the concerns including four (4) versus five (5) day school week flexibility, minimum and maximum distribution of funding, implementation delays, and eligibility. Governor Little now anxiously awaits receiving HB 521, but HB 722 will still need to be voted on by the Senate. To read Governor Little's full press release click HERE.

JFAC met early this week to set budgets for bills with a fiscal impact that have passed, or are expected to pass, both floors. We will see at least one more JFAC meeting to set budgets next week. Friday, JFAC met to set the K-12 Education budget now that HB 521 has passed. An appropriation has not failed on the floor this year, but there have been some close calls. HB 723 - Idaho Transportation Department Trailer Appropriation, passed the House by one vote (35-34-1) but may fail in the Senate. There was also significant drama over the reconsideration of the Department of Administrations budget that died, was reconsidered, and then narrowly passed. Marking a departure from the House who hadn't let others change their vote previously this session. Medicaid and education funding will also be debated on soon and have a high risk of failing. If a budget fails, JFAC will meet again to reevaluate the budget, leading to potential cuts and a lengthening of session.

Many committees continued meeting this week, with some considering contentious last-minute bills. Chairmen are now selective on what bills will be taken up as horse trading and politics get more involved than the merits of the bills in some cases. Many bills that have approval from leadership continue to be pushed, with some having had numerous iterations introduced. Many of the bills on the Senate Calendar are now expected to remain there, leaving the Senate to focus on priorities and catch up to the House who has been flying through the bills on their calendar. Despite the growing list of bills held in chairmen's drawers and on the floor, the process did speed up this week as work continued.

The fatigue has set in with legislators, many are eager to get home and campaign. We remain optimistic and positive. We also wanted to take a moment to again thank you for trusting us to do this work for you. It is our sincere pleasure, and we love what we do. While the stereotypes of our profession leave many to believe it's an easy and sloomy job, we know it is not. Over the next week, we will see long floor sessions while committee meetings dwindle. More appropriation bills, and some last-minute policies will advance, but may run out of time to pass. BB&A is watching closely as big-ticket items are playing out. We are still working diligently to stay ahead of the curve for you and we will remain in the Idaho Capitol as long at the State Legislature is in session.

All bills from the 2024 Idaho Legislative Session are on the <u>Idaho State Legislative Website</u>. To find your legislators, click <u>HERE</u>. To view daily reading calendars and agendas, click <u>HERE</u>. <u>HERE</u> is a list of Governor Little's daily tracking sheet.



Policies

HCR 30 – Medicaid Waivers – Passed the House (59-9-5) – Passed the Senate (19-15-1) – Filed in the Office of Secretary of State

This concurrent resolution outlines the intent of the legislature to develop cost-sharing and work requirements that would permit the state to extend resources to a greater population. It requests the Department of Health (IDHW) to model work requirements after Georgia and Arkansas and apply for waivers that would allow individuals to choose between Medicaid or private insurance if they are within 100% and 138% of the federal poverty limit.

Sponsor: Rep. Vander Woude (R-22)

SB 1355 – Medicaid Legislative Review Panel – Passed the Senate (27-8) – Passed the House (58-9-3) – Signed Into Law Creates the "Medicaid Legislative Review Panel" which will have the chairs of both the House and Senate Health and Welfare serving as co-chairs as well as one (1) appointed by the Speaker of the House and one (1) appointed by Pro Tempore of the Senate. There must be one (1) senator and one (1) representative from the minority, and the Legislative Services Office will staff the rest. The review panel will review contracts make recommendations on what should be included in Medicaid contracts and determine what data should be collected among other duties. This panel will create and submit a report of activities and recommendations to the Legislative Council.

Sponsor: Sen. VanOrden (R-30), Rep. Vander Woude (R-22)

<u>HB 577</u> – Medicaid, Direct Payment – Passed the House (43-23-4) – Passed the Senate (21-13-1) – Sent to the Governor

Allows the Department of Health and Welfare to get approval from the Centers for Medicare and Medicaid Services (CMS) for payments to hospitals in the Idaho Behavioral Health Plan if they qualify. This payment can't exceed the max allowed payment outlined by federal regulation. This must occur before July 1, 2027.

Sponsor: Rep. Petzke (R-21), Sen. Lee (R-9)

HB 685 - Medicaid Stabilization Budget Fund - Passed the House (47-22-1) - Senate Floor

The purpose of this legislation is to create a stabilization fund for the Medicaid Budget. The funds not used from the Medicaid Budget will be transferred to the Joint Millennium Fund instead of being reverted into the general fund. **Sponsor: Rep. Vander Woude (R-22)**

<u>HB 521</u> – School Facilities Funding – Passed the House (61-6-3) – Passed the Senate (23-11-1) – Sent to the Governor Lowers corporate and individual income tax from 5.8% to 5.695%. Adds property tax relief in the form of school facilities funding. This legislation also increases sales tax revenue allocation from 2.25% and 3.25% to the school district's facility fund and also redirects the lottery dividends to the fund. This bill also dedicates \$125 million from sales tax to a new School Modernization Facilities Fund to be used for bonding.

These funds cannot be used for gymnasiums, only for classroom and other school renovations or replacements. This also changes the power from the Board of Education to the Governor to appoint an executive officer to the State Board. The annual report must be created for the Legislature with the details of the use of the School Modernization Fund. The August election is also removed from code to be used for bond and levy questions.

Sponsor: Rep. Moyle (R-10), Rep. Monks (R-22), Sen. Grow (R-14), Sen. Bernt (R-21)

HB 398aaS - Medicaid State Plan and Waivers - Passed the House (58-10-2) - Senate Floor

This prevents the Department from requesting any changes from the state Medicaid Plan or applying for any 1115 or 1915 waiver that would expand coverage to additional individuals or class of individuals or increase any cost to the state. This approval must be done through statute.

Sponsor: Rep. Blanksma (R-8)



HB 501aaH – Medical Liens – Passed the House (67-0-3) – Passed the Senate (34-0-1) – Sent to the Governor

This bill outlines the process for patients with and without a third-party payer. For those without a third-party payer, a lien must be filed before or within ninety (90) days after the date of discharge or the last of services provided, whichever is later. For those with a third-party payer, a lien must be filed only during the first thirty (30) days of extraordinary collection action. Outlines that a provider authorized to file a lien to secure payment must do so according to the timelines and provisions of Chapter 7, Title 45 Idaho Code.

Sponsor: Rep Skaug (R-10), Rep. Gannon (R-17)

<u>SB 1234</u> – Six-Month Contraceptive – Passed the Senate (19-16) – Passed the House (35-34-1) – Signed Into Law Adds a new section to code for "Plans Covering Contraception". Defines prescription contraception and health benefit plan. Defines what must be included in a health benefit plan or student health benefit plan, including provided reimbursement for prescription contraception intended to last six (6) months obtained at one (1) time.

Sponsor: Sen. Wintrow (D-19), Rep. Nelsen (R-26)

HB 397 - Immunization Registry - Passed the House (56-11-3) - Senate Health and Welfare

Returns the immunization from an opt-out to an opt-in registry for children.

Sponsor: Rep. Blanksma (R-8)

HB 438 - Immunization Exemptions - Passed the House (58-10-2) - Senate Health and Welfare

Amends code relating to immunizations and states school officials shall describe immunizations are not mandatory and may be refused on religious or other grounds.

Sponsor: Rep. Healey (R-15)

<u>HB 439</u> – Immunization Assessment Board – Passed the House (44-26) – Passed the Senate (23-12) – Signed Into Law Reset the sunset date for the Idaho Immunization Board for July 1, 2029.

Sponsor: Rep. Healey (R-15)

HB 527 - Pharmacy Practice - Passed the House (70-0) - Passed the Senate (34-1) - Signed Into Law

This bill consists of the Board of Pharmacy's rules they have been working on for the past ten (10) years, to be put into statute. Doing so will provide organization and efficiency moving forward for both the Board of Pharmacy and the Legislature.

Sponsor: Rep. Redman (R-3)

<u>HB 633</u> – Postpartum Medicaid Assistance – Passed the House (42-26-2) – Passed the Senate (24-10-1) – Sent to the Governor

Creates a new section for "Postpartum Medicaid Assistance" so individuals may qualify for twelve (12) months postpartum if during pregnancy they were eligible and received Medicaid.

Sponsor: Rep. Blanksma (R-8)

HCR 39 – Rule approval, Department of Health and Welfare – Passed the House (65-0-5) – Senate Floor

The House Health and Welfare Committee approved the pending rules for the Idaho Department of Environmental Quality.

Sponsor: Rep. Erickson (R-33)

<u>HCR 40</u>– Rule rejection, Department of Health and Welfare – Passed the House (65-0-5) – Senate Health and Welfare The House Health and Welfare Committee rejected the pending rules for the Idaho Department of Health and Welfare, Skilled Nursing Facilities and rejected Section, 200, Subsection 02.d since it was not consistent with legislative intent.

Sponsor: Rep. Erickson (R-33)



SCR 132 – DOPL and Department of Insurance Rule – Senate Commerce and Human Resources

Adoption of DOPL and Department of Insurance rules with the exception of the Managed Care Reform Act Rule (18-0404-2301) sections 011, subsection 03.

Sponsor: Sen. Cook (R-32)

Appropriations and Budgets

HB 715 – Joint Legislative Millennium Committee Appropriation Recommendations – Passed the House (45-20-5) – Passed the Senate (24-10-1) – Sent to the Governor

This legislation includes the appropriation of funding recommended by the Joint Legislative Millennium Fund Committee. The funds are aligned with the committee's five-year plan. It includes the funding for the following:

- Dept. of Health and Welfare Project Filter \$1,849,800
- Public Health Districts Youth Prevention and Cessation \$406,000
- Idaho Public Television Media Campaigns 1 FTP \$1,000,000
- Idaho Drug-Free Youth Youth Prevention Programs \$250,000

Sponsor: Rep. Green (D-18), Sen. Burtenshaw (R-31)

SB 1397 – Department of Insurance Trailer Appropriation – Passed the Senate (33-1-1) – Passed the House (65-3-2) – Signed Into Law

This trailer appropriation includes two (2) programs, insurance regulations, and state fire marshal. Also includes three (3) line items for a total of \$869,200. The total appropriation for the Department of Insurance is \$11,522,900.

Sponsor: Sen. Cook (R-32), Rep. Handy (R-27)

<u>HB 460</u> – Public School Support Program Maintenance Appropriation – Passed the House (53-14-3) – Passed the Senate (34-0-1) – Sent to the Governor

This bill appropriates funding for the Public-School Support Program which includes the seven divisions for Administrators, Teachers, Operations, Children's Programs, Facilities, Central Services, and Educational Services for the Deaf and the Blind.

Sponsors: Rep. Lambert (R-23), Sen. Herndon (R-1)

SB 1268 – Health and Human Services Maintenance Appropriation – Passed the Senate (27-7-1) – Passed the House (58-11-1) – Signed Into Law

<u>HB 459</u> – General Government Maintenance Appropriation – Passed the House (55-11-4) – Passed the Senate (28-7) – Signed Into Law

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, the rules docket needs to pass both the House and 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 16 – Department of Health and Welfare

- (+) (+) 16-0305-2301 Eligibility for Aid to the Aged, Blind, and Disabled (ZBR)
- (+) (+) 16-0306-2301 Refugee Medical Assistance
- (+) (+) 16-0309-2301 Medicaid Basic Plan Benefits
- (+) (+) 16-0310-2101 Medicaid Enhanced Plan Benefits
- (+) (+) 16-0313-2101 Consumer Directed Services
- (+) (+) 16-0318-2301 Medicaid Cost-Sharing (ZBR, Fee Rule)

IDAPA 18 – Department of Insurance

- (+) (+) 18-0404-2301 The Managed Care Reform Act Rule (ZBR)
- *Senate Commerce rejected subsection 011.03
- (+) (+) 18-0602-2301 Producers Handling Fiduciary Funds (ZBR)
- (+) (+) <u>18-0603-2301</u> Rules Governing Disclosure Requirements for Insurance Providers When Charging Fees (ZBR Chapter Repeal)
- (+) (+) 18-0706-2301 Rules Governing Life and Health Reinsurance Agreements (ZBR)
- (+) (+) 18-0710-2301 Corporate Governance Annual Disclosure (ZBR)

Appointments

Appointments approved by Senate Committees, are confirmed by the full Senate.

- Chad Henggeler was confirmed by the Senate to the State Board of Health and Welfare on January 19, 2024.
- Robert Cuoio was confirmed by the Senate to the State Board of Health and Welfare on February 1, 2024.
- Carolyn Lodge was confirmed by the Senate to the Idaho Health Insurance Exchange Board on January 31, 2024.
- Julie Ann Triepke was confirmed by the Senate to the Idaho Health Insurance Exchange Board on February 2, 2024.
- Heidi Hart was confirmed by the Senate to the Idaho Health Insurance Exchange Board on February 8, 2024.
- McKenzie Kraemer was confirmed by the Senate to the Idaho Health Insurance Exchange Board on March 6, 2024.
- Lisa Odom was confirmed by the Senate to the Idaho Health Insurance Exchange Board on March 6, 2024.