

Week Twelve Idaho Legislative Update for March 25 – March 29, 2024

In the twelfth week of the Sixty-Seventh Idaho Legislature's Second Regular Session, the Legislature slowly worked through bills. The Governor continued to quickly treat bills. Senate and House leadership negotiated and begrudgingly worked through contentious bills. With multiple appropriations failing in the Senate this week, the session continues.

Early this week, HB 723 - Idaho Transportation Department (ITD) and HB 735- Permanent Building Fund (Department of Administration) budgets were sent back to Committee from the Senate floor only to be sent back to the Floor as drafted later in the week. Legislators raised concerns over a hotly contested decision to undo the sale of the ITD complex on State Street in Boise, the addition of 53 new full-time positions, and considerations for moving or repairing an ITD facility in Shoshone, Idaho. This resulted in a nearly two-hour debate on the ITD budget which ultimately failed the Senate (16-19) late Thursday afternoon. The 1.3-billion-dollar budget will now need to be reworked before the Legislature can adjourn. With pressure mounting, and the session dragging on, both the House and Senate recessed until Tuesday to give more time for negotiations and alternative solutions to be worked out.

While the ITD budget was the crux this week, the Judicial Branch budget died (15-20) and the Division of Welfare died (10-25). While these bills failed on the Senate Floor this week, JFAC moved quickly to rework and pass new versions, with the contentious line items removed. Medicaid, public schools, and Idaho Launch appropriations are all still waiting to be voted on, in addition to changes to funding for 4- or 5-day schools with the newly passed House Bill 521 and no clear path for the ITD budget there is still a strong possibility for budgets to sink next week. Between the House and Senate, there has been nine (9) bills introduced with many similar fixes within all the bills pertaining to Launch and the facilities bill (521). Each side has been very friendly and accepting of their own solutions and bills on this topic but has shot down similar solutions from the other side of the rotunda so far.

Despite the exhaustion of the Legislature and their staff, more policy bills continued to be introduced this week. With many other bills coming out of the chairmen's drawers and moving swiftly across the finish line. Forcing many committees to reopen to host hearings on the late comer bills. Aside from these exceptions, committees have become very quiet as the House and Senate work overtime to debate budgets and other pressing bills that stand in the way of the Legislature adjourning "Sine Die".

As we enter week thirteen of Session, tensions between House and Senate leadership are high. They in a reactive stage to one another and communication seems to be lacking. We have seen this permeate to the approval and rejection of administrative rules as well. Following a recent Idaho Supreme Court ruling, all rules need to be approved or rejected through a joint resolution. Originally, the chairmen worked together to form a single resolution reflecting the actions that both committees have taken on the rules, but chairmen have been at odds on what the committees approved or rejected. As a result, there have been many resolutions introduced, with copious amounts of corrections, to get the rules approved correctly before session ends.

The Idaho Legislature will continue to work next week, with the hope of solutions and compromises to come over the Easter holiday weekend. As bills make their way to the Governor's desk, the Legislature may still need to wait some or all of the procedural five (5) days for the Governor to treat bills before officially adjourning "Sine Die". The Session could wrap up mid-week next week or, be prolonged even further. Many legislators are highly motivated to finish session and start their campaign for their Primary Election which is now weeks away. But without agreements from leadership, only time will tell when resolutions come, and with it, the end to a turbulent and dynamic legislative session in April.

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.



<u>HCR 30</u> – 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)

HB 577 – Medicaid, Direct Payment – Passed the House (43-23-4) – Passed the Senate (21-13-1) – Signed Into Law 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) – Passed the Senate (17-16-1) – Signed Into Law

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)

<u>HB 398aaS</u> – Medicaid State Plan and Waivers – Passed the House (58-10-2) – Passed the Senate (27-6-2) – House Concurred (46-23-1) – Sent to the Governor

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) – Signed Into Law

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)



HB 633 – Postpartum Medicaid Assistance – Passed the House (42-26-2) – Passed the Senate (24-10-1) – Signed Into Law

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) – Passed the Senate (Voice Vote) – Secretary of State

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

Sponsor: Rep. Erickson (R-33)

SB 1355 - Medicaid Legislative Review Panel - Passed the Senate (27-8) - Passed the House (58-9-3) - Signed Into Law

SB 1234 - Six-Month Contraceptive - Passed the Senate (19-16) - Passed the House (35-34-1) - Signed Into Law

HB 439 - Immunization Assessment Board - Passed the House (44-26) - Passed the Senate (23-12) - Signed Into Law

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

Appropriations and Budgets

<u>HB 715</u> – Joint Legislative Millennium Committee Appropriation Recommendations – Passed the House (45-20-5) – Passed the Senate (24-10-1) – Signed Into Law

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)

HB 750 - Division of Medicaid Trailer Appropriation - Passed the House (45-25) - Senate Floor

Reduced the basic Medicaid Plan by \$55 million and increased the Expansion Medicaid Plan by \$55 million to increase the coverage for postpartum coverage for 12 months.

Sponsor: Rep. Furniss (R-31), Sen. VanOrden (R-30)

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

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

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



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

Rules

<u>HERE</u> 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.

<u>IDAPA 16 – Department of Health and Welfare</u>

- (+) (+) 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

- (+) (+) <u>18-0404-2301</u> 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.