



## Week Four Idaho Legislative Update for Jan. 27 – Jan. 31, 2024

As week four of the Sixty-Eighth Idaho Legislature's first regular session wraps up, we're seeing the differences of lawmakers going about their business in a year without elections. We're also watching how the changes and uncertainty on the national scene are influencing activity here, from President Trump's flurry of executive orders to the swift cabinet confirmations by a GOP-led majority in the Senate. In essence, these factors have put the Idaho Legislature in an odd state of limbo.

And yet, there are some remarkable achievements to note this week. The House introduced legislation to repeal 150 sections of obsolete Health and Welfare code, advanced a handful of new tax cut policy ideas and introduced the second iteration of a school choice tax credit. Dozens of Gubernatorial appointments were approved by the Senate, notable because in the past these appointments have languished and cluttered the chamber's floor calendar. Still, much remains to be done and we are curious how quickly the people's business gets done in the coming weeks.

Despite ample effort, and a lengthy and pithy Friday morning meeting, the Joint Finance Appropriations Committee (JFAC) has yet to settle on FY26 revenue targets, further delaying the opportunity to set budgets, specifically the "enhanced" budgets for supplementals, transfers and one-time funding for state agencies. Adding to the budget-setting strife is the ongoing haggling over pay raises for state employees (CEC). In the past, these two critical budgeting steps would have been in the rearview mirror, but with changes to rule and process that were not agreed to by committee members, JFAC power dynamics and member discord are on full display once again. Ultimately, this uncertainty over what's available to spend or cut prevents legislators from focusing their time and energy on new legislation.

Historically, committees finish reviewing and approving administrative rules at this stage. While some committees have met that mark, others are bogged down amid philosophical differences, including the now perennial fight over the adoption of the new electrical code, which will loom for weeks despite full support from all industry and stakeholders.

So, what does this all mean in the bigger scheme of things? On one hand, it could be leadership and veteran legislators are pushing a more deliberate approach and managing the agenda in a way that enables a reasonable and predictable end to the session. Maybe it's the nature of things when new leadership takes over a new chamber, as is the case this year with the Senate. Then again, maybe the frenzy meter redlines next week and all bets are off.

With regards to new policy, there are some interesting developments to highlight. House Speaker Mike Moyle continues to chip away at tax relief. The [bill](#) he introduced this week focuses on additional property tax relief by shifting \$50 million into a school facilities fund and another \$50 million into a homeowner property tax relief fund. Lawmakers are also looking over the longstanding fight on Idaho's sales tax on groceries, and are contemplating increasing the benefit to Idahoans with a new proposal that raises the [tax credit](#) on those purchases from \$120 per person to \$155.

While [HB 93](#) and its child tax credit remains the frontrunner in the debate over private school choice funding, we know other ideas and mechanisms are being discussed behind the scenes that could significantly reshape Idaho's K-12 landscape.

While the traditional obelus marking the onset of division between factions and the House and Senate is setting in, we see what's unique about this session and bullish on the pragmatism and overall optimism. As January's New Year's resolutions give way to a steadily increasing stream of new bills introduced, and the ides of March look to appear early in February, we also know the bulk of session pressure and work is upon us.

All bills for the 2025 session can be found on the [Idaho State Legislative website](#). Interested in finding your legislator? Visit [HERE](#). Daily reading calendars and agendas are found [HERE](#). As usual, we're available if you have questions.



## Policies

### **[HB 76](#) – Medicaid Value Based Contract Timeline**

Stipulates that any agreement between the Department of Health and Welfare and any provider/health system have a one-year duration aligned with the States' fiscal year (July 1 – June 30). This allows for legislators to review performance from the prior contract/fiscal year ahead of the next session.

**Sponsor: Rep. Vander Woude (R-22)**

### **[HB 84](#) - Dept. of Administration, Cities - House State Affairs**

Enables cities to join the health insurance pool to decrease health insurance premiums for municipalities by spreading the insurance risk across a larger group. There is no requirement for cities to enroll in the state insurance plan. No fiscal impact.

**Sponsor: Rep. Cheatum (R-28)**

### **[HB 31](#) - Medicaid Payer of Last Result – House Health and Welfare**

This bill clarifies responsibility for any Medicaid-eligible individual who also has third-party coverage, to accept the state's authorization for a service or item that the third-party requires authorization for, if the state plan covers the service or item. This ensures that Medicaid is always the payer of last result.

**Sponsor: Rep. Redman (R-3)**

### **[HB 58](#) - Repeal of Medicaid Expansion - House Health and Welfare**

This bill would repeal the Medicaid Expansion program (Idaho Code 56-267) as of July 1, 2025. This fiscal note estimates a savings of \$110 million a year, which is what the state spends every year on the Medicaid Expansion population.

**Sponsor: Rep. Vander Woude (R-22)**

### **[HB 38](#) - Idaho Life and Health Insurance Guaranty Association Act – House Business**

Updates the Act originally passed to protect consumers when an insurer becomes insolvent. Updates to clarify that certain companies are not eligible for coverage under the Act; adjusts coverage determinations for high-risk, long-term care; requires health insurance CO-OPs created under the ACA to become members of the ILHGA and removes a cap on annual association membership fees.

**Sponsor: Rep. Ehlers (R-21)**

### **[HB 62](#) – Medicaid Fraud & Tax Commission – House Health & Welfare**

Allows the Department of Health & Welfare (DHW) to enter into a memorandum of understanding (MoU) with the Tax Commission to share tax information as part of Medicaid fraud investigations. This enables a faster and more accurate method for obtaining gross adjusted income, rather than issuing subpoenas for banking information.

**Sponsor: Rep. Fuhrman (R-30)**

### **[HB 71](#) - Uniform Standards-Insurance - House Business**

The intent of this legislation is to provide uniform standards for insurers and registered insurance holding companies to file the Group Capital Calculation and Liquidity Stress Test, two key regulatory tools for monitoring solvency. Defines terms for the Group Capital Calculation and the Liquidity Stress Test and companies that may be exempt, as well as insurer information confidentiality and safety measures. No fiscal impact.

**Sponsor: Rep. Crane (R-13)**



### **[HB 72](#) - Risk Mitigation Services (Insurance) – House Business**

Prohibits unfair trade practices by amending Idaho Code to allow insurance providers or producers to provide value-added products or services at no or reduced cost when these products are not specified in the policy of insurance. This applies to products or services designed to provide mitigation, reduce claim costs, enhance health and incentivize behavioral changes. The cost to the insurer or producer offering the product or service must be reasonable in comparison to the customer's premiums or insurance coverage for the policy class. The product or service will be offered in a manner that is not unfairly discriminatory. No fiscal impact.

**Sponsor: Rep. Cornilles (R-12)**

### **[HB 14](#) - Idaho Code Cleanup Act – Passed the House (68-0-4) - Passed the Senate (34-0-1) – Sent to Governor**

Requires each agency to follow a similar process to the ZBR rulemaking process, which requires each agency to study and delete unnecessary, obsolete, and outdated rules. Agencies must complete a review of their code sections no later than Sept. 1, 2025, and report to the Legislature any recommended edits in each agency report. The Legislature will take up the recommendations for consideration during the 2026 regular session.

**Sponsor: Rep. Moyle (R-10)**

### **[HB 17](#) - Wildfire Insurance - House Business**

Aims to improve and stabilize the market with the creation of an Idaho Wildfire Risk Mitigation Stabilization Pool and Board. These entities would allow for a greater stability in the insurance market, which has decreased in some areas due to the risk of wildfire. Additionally, this would allow for mitigation of wildfire risk for property owners, reducing cost of property insurance. The plan of operation involves two steps, one that includes mitigation of wildfire risk for homeowners and the second that allows the board to develop strategies to stabilize the marketplace.

**Sponsor: Rep Redman (R-3)**

### **[HB 90](#) – Public Assistance, Legislative Action - House Health & Welfare**

Modification of eligibility criteria to clarify that any change that would expand eligibility criteria for a public assistance program or expand the benefit of a public assistance program must be authorized in statute and not provided in rules, state plan, agency guidance or any other documents.

**Sponsor: Rep. Vander Woude (R-22)**

## **Appropriations and Budgets**

This is where appropriations and budgets of interest will appear as introduced in the session.



## 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.

### **Department of Health and Welfare**

(+) (+) [16-0309-2401](#) – Medicaid Basic Plan Benefits (ZBR Chapter Rewrite) – Proposed Rule

### **Appointments**

On January 20, 2025, Alex Adams was confirmed by the Senate as the Director for the Idaho Department of Health and Welfare.

On January 23, 2025, Steve Landon was confirmed by the Senate to the State Insurance Fund Board