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Week Two

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Budget Highlight

JFAC continued their steadfast budget setting process with several agency budgets up for review by the committee this week. JFAC is utilizing a different process this year, kicking out maintenance budgets prior to taking up line items. Budgets before JFAC this week were:

Maintenance Budgets, Governor's Revised Budget, Office of Drug Policy, Commission for Libraries, State Historical Society,
Department of Agriculture, Soil & Water Conservation Commissions, Office of Energy and Mineral Resources, Commission of the Arts,
Office of Species Conservation, Office of Information Technology, Board of Tax Appeals, Idaho State Tax Commission

The 2024 budget book can be found here and is an excellent resource for those wanting a deeper look into the numbers.

Administrative Rules Review

Typically, the first few weeks of the legislature are dedicated to administrative rules review. Along with the Governor's dedication and directive to agencies to implement Zero Based Regulation There are a few notable changes to the rules review process this year as detailed below. We will watch closely to see how these changes impact the rules review process.

Last year the legislature passed HB 206a, which made every pending rule (this is just a final draft of changes an agency would like to make to their administrative rules), subject to approval by a concurrent resolution before the rule change can be effective and final, even if it does not charge a fee. This is different from how the process for most rule changes has been historically, where rules that did **not** charge a fee would automatically go into effect upon *sine die* unless the legislature specifically rejected the pending change via concurrent resolution. Now, if any change proposed by an agency is not concurrently approved by both the House and the Senate, the pending rule will die, and the agency will have to begin the rulemaking process again. Additionally, HB 206a requires the legislature to include a finding of facts into any concurrent resolution that rejects a rule, so that the agency has a better understanding as to what the legislature believes in their rule change does not align with the legislative intent of the relevant statutory sections.

Second, HB 206a removed the requirement that all current and existing rules would expire unless they were extended by the legislature. In its place, every rule chapter in effect beginning July 1, 2026, must be periodically reviewed on a staggered schedule every eight years.

Legislative Temperament

The legislature continued its fast pace with a flurry of new bill introductions ranging from procurement to Space Force. We also saw several personal bills introduced on social topics including abortion, gun rights, patient medical rights, and COVID-19. These bills are assigned a bill number but will not progress through the process. However, these proposals do provide insight into potential topics the legislature will have before it this year. Additionally the library bill, HB 384, was pulled from the floor and sent back to committee in hopes of the stakeholders producing a compromise bill to address a contentious issue that has been a focal point of the legislature for the last three years. A bill to add fentanyl to the mandatory minimum sentencing laws was introduced yesterday and received a hearing today that will continue into next week. Next week we also anticipate the introduction of several bills aimed at eroding Medicaid and Medicaid expansion.

As anticipated, education funding, educational choice, Medicaid cost containment, and litmus test issues continue to dominate. As always, we are appreciative of the opportunity to represent you at the Statehouse and will continue to keep you updated as proposals are introduced germane to your interests. You can find this update along with previous ones on our website www.cygnetidaho.com

Nonprofit Highlight

Team Cygnet was able to hit the slopes early this week for night skiing, reminding us of a true Idaho gem – a staple ski hill which excellently represents the variety and vastness throughout the nonprofit world bringing us to our nonprofit spotlight this week: Bogus Basin has served as the Treasure Valley's all-season destination for mountain activities, learning, and fostering community, driven by a mission to ensure outdoor accessibility for present and future generations.

Idaho Fun Fact

The Lewis & Clark Highway (United State Highway 12) is the shortest route from the Midwest to the Pacific Coast and the longest highway within a National Forest in the nation.