

IN THE SENATE

SENATE BILL NO. 1344

BY JUDICIARY AND RULES COMMITTEE

AN ACT

1 RELATING TO LEGISLATIVE AUTHORITY; AMENDING SECTION 56-202, IDAHO CODE,
2 TO REVISE PROVISIONS REGARDING THE DUTIES OF THE DIRECTOR OF THE STATE
3 DEPARTMENT OF HEALTH AND WELFARE; AMENDING SECTION 56-203, IDAHO CODE,
4 TO REVISE PROVISIONS REGARDING THE POWERS OF THE STATE DEPARTMENT OF
5 HEALTH AND WELFARE; AMENDING CHAPTER 10, TITLE 56, IDAHO CODE, BY THE
6 ADDITION OF A NEW SECTION 56-1011, IDAHO CODE, TO ESTABLISH PROVISIONS
7 REGARDING A REPORT ON PROGRAMS AND AUTHORITY; AMENDING SECTION 67-3516,
8 IDAHO CODE, TO REVISE PROVISIONS REGARDING APPROPRIATIONS ACTS; AND
9 DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.
10

11 Be It Enacted by the Legislature of the State of Idaho:

12 SECTION 1. That Section 56-202, Idaho Code, be, and the same is hereby
13 amended to read as follows:

14 56-202. DUTIES OF DIRECTOR OF STATE DEPARTMENT OF HEALTH AND WEL-
15 FARE. (1) The director of the state department of health and welfare shall:

16 (a) Administer public assistance and social services to eligible peo-
17 ple;

18 (b) Promulgate, adopt and enforce such rules and such methods of admin-
19 istration as may be necessary or proper to carry out the provisions of title
20 56, Idaho Code, except as provided in section 56-203A, Idaho Code;

21 (c) Conduct research and compile statistics relating to public wel-
22 fare;

23 (d) Prepare for the governor and legislature an annual report of activ-
24 ities and expenditures; make such reports in such form and containing such
25 information as the federal government may from time to time require; and com-
26 ply with such provisions as the federal government may from time to time find
27 necessary to assure the correctness and verification of such reports;

28 (e) Cooperate with the federal government through its appropriate
29 agency or instrumentality in establishing, extending, and strengthening
30 services for the protection and care of homeless, dependent, and neglected
31 children, and children in danger of becoming delinquent; and to undertake
32 other services for children authorized by law;

33 (f) Cooperate with the federal government through its appropriate
34 agency or instrumentality in establishing and maintaining a comprehensive
35 system of in-home services as defined in section 67-5006, Idaho Code, de-
36 signed to assist older persons, as defined in section 67-5006, Idaho Code,
37 of Idaho to continue living in an independent and dignified home environment
38 and to undertake other services for older persons as authorized by law;

39 (g) Exercise the opt_out provision in section 115 of the personal re-
40 sponsibility and work opportunity reconciliation act of 1996, P.L. 104-193.
41 Consistent with this, the department may provide food stamps and services
42 funded under title 4A (including cash assistance, TANF supportive services

1 and at-risk payments) to a person who has been convicted of a felony involv-
 2 ing a controlled substance as defined in chapter 27, title 37, Idaho Code, if
 3 they comply with the terms of a withheld judgment, probation or parole.

4 (2) No later than July 1, 2028, the director shall complete the dis-
 5 continuation of any program or service not expressly authorized by Idaho
 6 Code. The director shall continuously monitor all department programs and
 7 services to ensure statutory compliance and shall cease all new expenditures
 8 for and complete the discontinuation of any program or service found to be
 9 not expressly authorized by Idaho Code within sixty (60) days of such find-
 10 ing.

11 (3) If the department expends funds for a program or service found to be
 12 not expressly authorized by Idaho Code, the state controller shall:

13 (a) Immediately revoke the spending authority and revert all unex-
 14 pended balances to the fund of origin upon a legal determination of a
 15 lack of authorization;

16 (b) Reduce the department's maintenance appropriation for the follow-
 17 ing fiscal year by the total amount of any funds, regardless of fund
 18 source, disbursed for the unauthorized program or service prior to its
 19 revocation; and

20 (c) Certify the amount of the unauthorized expenditure to the joint fi-
 21 nance-appropriations committee of the legislature no later than Jan-
 22 uary 15 of each year.

23 SECTION 2. That Section 56-203, Idaho Code, be, and the same is hereby
 24 amended to read as follows:

25 56-203. POWERS OF STATE DEPARTMENT. The state department shall have
 26 the power to:

27 (1) ~~Enter~~ When authorized by Idaho Code, enter into contracts and
 28 agreements with the federal government through its appropriate agency
 29 or instrumentality whereby the state of Idaho shall receive federal
 30 grants-in-aid or other benefits for public assistance or public welfare pur-
 31 poses under any act or acts of congress heretofore or hereafter enacted;

32 (2) Cooperate with the federal government in carrying out the purposes
 33 of any federal acts or programs authorized by Idaho Code pertaining to public
 34 assistance or welfare services, and in other matters of mutual concern;

35 (3) Cooperate with county governments and other branches of government
 36 and other agencies, public or private, in administering and furnishing pub-
 37 lic welfare services authorized by Idaho Code;

38 (4) Enter into reciprocal agreements with other states relative to the
 39 provisions of public assistance and welfare services to residents and non-
 40 residents;

41 (5) Initiate and administer public assistance and social services
 42 authorized by Idaho Code for persons with physical or mental disabilities;

43 (6) Establish such requirements of residence for public assistance un-
 44 der this chapter as may be deemed advisable, subject to any limitations im-
 45 posed in this chapter, including the requirements of lawful presence pur-
 46 suant to section 67-7903, Idaho Code;

47 (7) Define persons entitled to medical assistance in such terms as will
 48 meet requirements for federal financial participation in medical assistance
 49 payments;

1 (8) Accept the legal custody of children committed to it by district
 2 courts of this state under the child protective act, to provide protective
 3 supervision as defined therein, to place children for adoption when such
 4 children are in the legal custody of the state department and are legally
 5 available for adoption, and to exercise consent to adoption when the author-
 6 ity to do so is vested in the department by court order or legally authorized
 7 parental relinquishment;

8 (9) Determine the amount, duration and scope of care and services to be
 9 purchased as medical assistance on behalf of needy eligible individuals;

10 (10) Manage and operate the southwest Idaho treatment center at Nampa,
 11 Idaho; and

12 (11) Manage and operate state hospital north at Orofino, Idaho; state
 13 hospital south at Blackfoot, Idaho; and state hospital west at Nampa, Idaho.

14 SECTION 3. That Chapter 10, Title 56, Idaho Code, be, and the same is
 15 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
 16 ignated as Section 56-1011, Idaho Code, and to read as follows:

17 56-1011. REPORT ON PROGRAMS AND AUTHORITIES. The department shall
 18 submit a report to the health and welfare committees of the Idaho house of
 19 representatives and the Idaho senate no later than December 1, 2026, con-
 20 taining a comprehensive list of all programs operated or managed by the
 21 department and the corresponding statutory authority that creates or other-
 22 wise authorizes the program.

23 SECTION 4. That Section 67-3516, Idaho Code, be, and the same is hereby
 24 amended to read as follows:

25 67-3516. APPROPRIATION ACTS DEEMED FIXED BUDGETS -- RATE OF EXPENDI-
 26 TURE. (1) Appropriation acts when passed by the legislature of the state of
 27 Idaho, and spending authority made thereunder, whether the appropriation is
 28 fixed or continuing, are fixed budgets beyond which state officers, depart-
 29 ments, bureaus, and institutions may not expend.

30 (2) Moneys available to any agency from sources other than state mon-
 31 eys, if not cognizable at the time when appropriations were made whether
 32 state fiscal liability is increased or not, must have prior approval of the
 33 administrator of the division of financial management and the board of ex-
 34 aminers in order that moneys may be expended, except those moneys received
 35 under such conditions that preclude approval by the administrator of the
 36 division and/or the board of examiners. Receipts from the sale of capital
 37 outlay items and insurance claim settlements may, with the approval of the
 38 division of financial management, be included as an increase to an agency's
 39 appropriation and must be identified at an account category level. Expendi-
 40 ture of such receipts must be for capital outlay items, except in the case of
 41 a sale of a motor vehicle, which, notwithstanding section 67-3511(3), Idaho
 42 Code, may be transferred to operating expenditures with the approval of the
 43 division of financial management.

44 (3) One state agency may bill another state agency for goods and ser-
 45 vices, provided the billing agency receives prior approval in writing from
 46 the billed agency or such billing is provided for by law. This process will
 47 be known as interagency billing to which the following rules will apply:

1 (a) The state controller will treat interagency receipts as revenue and
2 not classify such revenue as a reduction of the expenditures of the re-
3 ceiving agency. Interagency billing credits for all moneys shall be de-
4 posited to the appropriate fund of that agency.

5 (b) Interagency receipts may be expended by the collecting agency to
6 the extent that authority to do so has been requested and approved by the
7 legislature through an appropriation.

8 (c) The agency billed for the goods and services shall classify, treat,
9 and account for such expenses in the same manner as if such expenses had
10 been paid by warrant and may encumber unexpended balances and may carry
11 forward the encumbered appropriation to liquidate known or anticipated
12 interagency billing expenses at the end of a fiscal year. The state
13 controller shall provide for the method of liquidation of these encum-
14 brances.

15 (4) State agencies selling goods, products, and services to another
16 state agency must use the interagency process detailed by subsection (3) of
17 this section. State agencies, departments, and institutions may sell goods,
18 products, and services to the public and/or other political entities. These
19 cash receipts may be expended according to the following rules:

20 (a) The state controller will classify these moneys as receipts.

21 (b) Receipts for all moneys shall be deposited to the appropriate fund
22 of that agency.

23 (c) The collecting agency may expend all such receipts only to the ex-
24 tent that authority to do so has been requested and approved by the leg-
25 islature through an appropriation, except receipts received by agen-
26 cies under the circumstances cited in subsection (2) of this section.

27 (5) No appropriation act shall be construed to create, extend, or imply
28 independent authorization in Idaho Code for any program, service, or activ-
29 ity. Every appropriation is contingent on such express authorization as may
30 be required by the specific title of Idaho Code governing the appropriating
31 agency.

32 SECTION 5. An emergency existing therefor, which emergency is hereby
33 declared to exist, this act shall be in full force and effect on and after
34 July 1, 2026.