

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 62

BY GIDDINGS

AN ACT

1 RELATING TO THE EMPOWER PARENTS IN EDUCATION ACT; AMENDING TITLE 33, IDAHO
2 CODE, BY THE ADDITION OF A NEW CHAPTER 64, TITLE 33, IDAHO CODE, TO
3 PROVIDE A SHORT TITLE, TO PROVIDE LEGISLATIVE FINDINGS AND INTENT, TO
4 PROVIDE APPLICABILITY, TO DEFINE TERMS, TO PROVIDE FOR A STATE EDUCA-
5 TION SAVINGS ACCOUNT RESERVE FUND, TO ESTABLISH PROVISIONS REGARDING
6 THE STATE ALLOCATION FOR PUBLIC EDUCATION AND THE DISTRIBUTION OF SUCH
7 ALLOCATION, TO PROVIDE FOR STUDENT REGISTRATION, TO ESTABLISH PROVI-
8 SIONS REGARDING STUDENT EDUCATION SAVINGS ACCOUNTS, TO PROVIDE FOR HOME
9 DISTRICT ALLOCATIONS, TO ESTABLISH PROVISIONS REGARDING A LEVY EQUAL-
10 IZATION RATE, TO PROVIDE FOR PREMIUM PAYMENT ALLOCATIONS, TO PROVIDE
11 FOR A SMALL DISTRICT STABILIZATION FUND, AND TO PROVIDE IMPLEMENTATION
12 AND RULEMAKING AUTHORITY TO THE STATE DEPARTMENT OF EDUCATION.
13

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

15 SECTION 1. That Title 33, Idaho Code, be, and the same is hereby amended
16 by the addition thereto of a NEW CHAPTER, to be known and designated as Chap-
17 ter 64, Title 33, Idaho Code, and to read as follows:

18 CHAPTER 64

19 EMPOWER PARENTS IN EDUCATION ACT

20 33-6401. SHORT TITLE. This chapter shall be known and may be cited as
21 the "Empower Parents in Education Act."

22 33-6402. LEGISLATIVE FINDINGS AND INTENT. (1) The legislature finds
23 that:

- 24 (a) Parents are their children's first teachers;
25 (b) Engaged parents are vital to student achievement;
26 (c) Parents have a central and irreplaceable role in making education
27 choices for their children;
28 (d) A system of education that values parents and students creates a
29 learning environment that places students in the best position to suc-
30 ceed;
31 (e) When education funding follows students, education improves;
32 (f) School choice is not anti-public school, but instead pro-student;
33 (g) The state of Idaho values our traditional public schools, public
34 charter schools, private schools, and parochial schools; and
35 (h) Empowered parents are engaged parents.

36 (2) It is the intent of the legislature, in enacting this chapter, to
37 empower parents to make the best possible educational choices for Idaho stu-
38 dents.

1 33-6403. APPLICABILITY. Where the provisions of this chapter are in
2 conflict with existing statute or rule, the provisions of this chapter shall
3 apply.

4 33-6404. DEFINITIONS. As used in this chapter:

5 (1) "Credit-equivalent" means time spent learning a particular content
6 area as provided and defined by the state board of education in rule.

7 (2) "Department" means the state department of education.

8 (3) "Home district" means the school district in which a student re-
9 sides, regardless of whether the student is registered with the school dis-
10 trict or another local education organization.

11 (4) "Local education agency" or "LEA" means a school district or a pub-
12 lic charter school.

13 (5) "Premium payments" means additional funds allocated as described
14 in section 33-6411, Idaho Code.

15 (6) "State allocation for public education" means the total moneys ap-
16 portioned from the state general fund in the annual state budget for the edu-
17 cation of public school students.

18 (7) "Student" means an individual of school age as defined in section
19 33-201, Idaho Code.

20 (8) "Surplus funds" means moneys allocated to a student education sav-
21 ings account that are not spent within the school year for which such moneys
22 were allocated.

23 (9) "Unexpended funds" means moneys appropriated for purposes of this
24 chapter that are not:

25 (a) Allocated for deposit in the small district stabilization fund es-
26 tablished in section 33-6412, Idaho Code; or

27 (b) Distributed for student education savings accounts, home district
28 allocations, or premium payments as described in this chapter.

29 33-6405. STATE EDUCATION SAVINGS ACCOUNT RESERVE FUND. There is
30 hereby established in the state treasury the state education savings account
31 reserve fund to be administered by the department. Moneys in the fund shall
32 be continuously appropriated for the purposes identified in this chapter.
33 Moneys in the fund shall include:

34 (1) The state allocation for public education as appropriated by the
35 legislature; and

36 (2) Any interest earned on moneys in the fund.

37 33-6406. STATE ALLOCATION FOR PUBLIC EDUCATION -- DISTRIBUTION. Each
38 fiscal year, the state allocation for public education shall be distributed
39 as follows:

40 (1) Sixty-two percent (62%) shall be allocated for student education
41 savings accounts;

42 (2) Thirty percent (30%) shall be for home district allocations as fur-
43 ther provided in this chapter;

44 (3) Five percent (5%) shall be for premium payments to local education
45 agencies as further provided in this chapter; and

46 (4) Three percent (3%) shall be allocated to the small district stabi-
47 lization fund established in section 33-6412, Idaho Code.

1 33-6407. REGISTRATION. (1) Any parent or legal guardian wishing to
2 have access to a student education savings account as described in section
3 33-6408, Idaho Code, must register each student for whom a student education
4 savings account is desired with either the department or the local education
5 agency in which the student lives a majority of the time.

6 (2) Registration information shall be limited to the legal name, date
7 of birth, and street address of the student's legal residence.

8 (3) Registration shall not be interpreted in any way as surrendering
9 any parental authority or as giving the LEA or the department any oversight
10 over the child.

11 (4) LEAs shall provide to the department a list of registered students
12 in a manner and at a time prescribed by rule.

13 33-6408. STUDENT EDUCATION SAVINGS ACCOUNTS.

14 (1) (a) Each student registered with a local education agency or the de-
15 partment who is enrolled at least half time in an educational program as
16 described in paragraph (b) (i) through (iv) of this subsection shall, on
17 an annual basis, be assigned a student education savings account. Mon-
18 eys in each account shall be distributed from the state education sav-
19 ings account reserve fund and shall be calculated according to the fol-
20 lowing formula:

21 (i) Sixty-two percent (62%) of the state allocation for public
22 education shall be divided by the total number of all registered
23 students statewide; and

24 (ii) The quotient of such division shall be the amount deposited
25 in each student education savings account.

26 (b) Moneys allocated to a student education savings account that are
27 not dispersed in the manner described in subsection (2) or (3) of this
28 section must be spent on qualified educational activities to be defined
29 in rule, including but not limited to:

30 (i) Tuition or fees incurred at a private or parochial school, ac-
31 credited by an organization recognized by the state board of edu-
32 cation, at which the student is taking credits or credit-equa-
33 lents;

34 (ii) Tuition or fees incurred at a private or parochial school lo-
35 cated in Idaho that is approved by the department at which the stu-
36 dent is taking credits or credit-equivalents;

37 (iii) Tuition or fees incurred at an institution of higher educa-
38 tion, whether public, private, or parochial, accredited by an or-
39 ganization recognized by the state board of education, at which
40 the student is taking credits or credit-equivalents;

41 (iv) Tuition or fees incurred at a private professional technical
42 or career technical program located in Idaho, approved by the de-
43 partment, at which the student is taking credits or credit-equa-
44 lents; or

45 (v) Fees associated with taking advanced placement, CLEP, SAT,
46 ACT, or other assessments, including industry certification as-
47 sessments or college entrance exams as approved in rule or by the
48 department.

1 (2) Fifty percent (50%) of the amount described in subsection
2 (1) (a) (ii) of this section shall be deposited in a student education savings
3 account on October 1 of each school year, and fifty percent (50%) of the
4 amount described in subsection (1) (a) (ii) of this section shall be deposited
5 in a student education savings account on March 1 of each school year. If
6 either day is on a weekend or a holiday, the deposit shall be made on the busi-
7 ness day preceding such weekend or holiday.

8 (3) Moneys in a student education savings account shall be distributed
9 as follows:

10 (a) One hundred percent (100%) to the LEA with which a student is regis-
11 tered, if the student is enrolled as a full-time student in such LEA; or

12 (b) Proportionately, based on the number of credits or credit-equa-
13 lents the student is taking from each, between at least two (2) of the
14 following:

15 (i) The LEA with which a student is registered;

16 (ii) Another LEA at which the student is taking credits or credit-
17 equivalentents;

18 (iii) A private or parochial school, accredited by an organization
19 recognized by the department, at which the student is taking cred-
20 its or credit-equivalentents;

21 (iv) A private or parochial school located in Idaho, approved by
22 the department, at which the student is taking credits or credit-
23 equivalentents; and

24 (v) An institution of higher education, whether public, private,
25 or parochial, accredited by an organization recognized by the de-
26 partment, at which the student is taking credits or credit-equa-
27 lents.

28 (4) Any surplus funds in a student education savings account shall re-
29 main in the student education savings account until the student reaches the
30 age of twenty-four (24) years, provided that annual surplus funds may not ex-
31 ceed thirty-three percent (33%) of the annual allocation to the student edu-
32 cation savings account. Annual surplus funds in excess of such thirty-three
33 percent (33%) shall be considered unexpended funds and used for the purposes
34 described in subsection (8) of this section.

35 (5) Any surplus funds in a student education savings account after a
36 student's twenty-fourth birthday shall revert back to the state general
37 fund.

38 (6) Surplus funds in a student education savings account may be used to
39 pay for any of the following:

40 (a) Postsecondary fees and tuition at any regionally accredited post-
41 secondary institution located in Idaho;

42 (b) Career technical program fees and tuition at a program located in
43 Idaho approved by the state board of education;

44 (c) Professional technical program fees and tuition at a program lo-
45 cated in Idaho approved by the state board of education; or

46 (d) Other qualified education expenses as described in department
47 rule.

48 (7) Student education savings account funds reimbursed to a student's
49 parent or legal guardian to pay for qualified education expenses shall not
50 constitute income.

1 (8) Unexpended funds shall be used to cover costs associated with the
2 administration of this chapter. Once those costs are covered, the remaining
3 balance shall be allocated to each LEA on a per-pupil basis.

4 (9) The state board of education shall provide in rule the requirements
5 necessary to be considered a registered student for purposes of this chap-
6 ter.

7 33-6409. HOME DISTRICT ALLOCATIONS. (1) Each school district shall
8 receive a home district allocation based on the number of registered stu-
9 dents who reside in the district, regardless of whether the student is
10 enrolled with the school district, unless the student is attending a differ-
11 ent LEA at least half time.

12 (2) If a student is attending an LEA other than the student's home dis-
13 trict at least half time, the LEA the student is attending shall be entitled
14 to the home district allocation for that student.

15 (3) The amount of home district allocation each school receives shall
16 be calculated as follows: base home district allocation as described in sub-
17 section (5) of this section multiplied by the number of registered students
18 in the school district, excluding students identified in subsection (2) of
19 this section, multiplied by the school district's levy equalization rate as
20 described in section 33-6410, Idaho Code.

21 (4) The amount of the home district allocation each public charter
22 school receives shall be calculated by taking the number of students en-
23 rolled at least half time in the public charter school multiplied by the base
24 home district allocation as described in subsection (5) of this section.

25 (5) The base home district allocation shall be calculated by dividing
26 the amount described in section 33-6406(2), Idaho Code, by the total number
27 of all registered students statewide.

28 (6) School districts that do not collect levies shall calculate their
29 home district allocation in the same manner as public charter schools as de-
30 scribed in subsection (4) of this section.

31 33-6410. LEVY EQUALIZATION RATE. (1) Each school district that col-
32 lects a local levy shall provide the department the school district's three
33 (3) year rolling average of the following:

- 34 (a) Levy rates;
35 (b) Funds raised through levies; and
36 (c) Full-time student enrollment.

37 (2) The department shall calculate an average per-pupil levy rate tak-
38 ing the sum of all school districts' three (3) year rolling average of funds
39 raised through levies as described in subsection (1) (b) of this section and
40 dividing it by the sum of all school districts' three (3) year rolling av-
41 erage of full-time student enrollment as described in subsection (1) (c) of
42 this section.

43 (3) The school district's per-pupil levy rate shall be calculated by
44 taking the school district's three (3) year rolling average of funds raised
45 through levies as described in subsection (1) (b) of this section and divid-
46 ing it by the sum of the school district's three (3) year rolling average of
47 full-time student enrollment as described in subsection (1) (c) of this sec-
48 tion.

1 (4) The levy equalization rate shall be calculated by dividing the
2 school district's per-pupil levy rate as described in subsection (3) of this
3 section by the average per-pupil levy rate as described in subsection (2)
4 of this section and then dividing by ten (10). School districts that have a
5 per-pupil levy rate greater than the average per-pupil levy rate shall mul-
6 tiple their levy equalization rate by negative one (-1).

7 (5) The levy equalization rate shall not be above ten percent (10%) or
8 below negative ten percent (-10%) for any school district.

9 33-6411. PREMIUM PAYMENT ALLOCATIONS. (1) The amount described in
10 section 33-6406(3), Idaho Code, shall be allocated for premium payments to
11 local education agencies. Each LEA is entitled to a proportional share of
12 premium payments as described in this subsection for students who are:

13 (a) Eligible for a free or reduced-price lunch under the Richard B. Rus-
14 sell national school lunch act, 42 U.S.C. 1751 et seq.;

15 (b) Receiving or eligible to receive special education as defined in
16 section 33-1001, Idaho Code;

17 (c) At-risk students as defined in section 33-1001, Idaho Code; or

18 (d) English language learners as defined in section 33-1001, Idaho
19 Code.

20 (2) Up to four (4) factors may apply to any student as described in sub-
21 section (1) (a) through (d) of this section.

22 (3) Each factor described in subsection (1) (a) through (d) of this sec-
23 tion shall be equal to twenty-five hundredths (.25) of a point.

24 (4) Each LEA shall report its total points for all students enrolled at
25 least half time to the department in a manner and time as defined by rule.

26 (5) The department shall aggregate the total number of points from all
27 LEAs.

28 (6) The department shall calculate each LEA's proportional share of
29 the premium payment described in subsection (1) of this section by dividing
30 the LEA's points identified in subsection (4) of this section by the total
31 statewide points as calculated in subsection (5) of this section and then
32 multiplying the quotient of the division by the amount allocated in section
33 33-6406(3), Idaho Code.

34 33-6412. SMALL DISTRICT STABILIZATION FUND. (1) There is hereby es-
35 tablished in the state treasury the small district stabilization fund, to be
36 administered by the department. Moneys in the fund shall be continuously ap-
37 propriated for the purposes identified in this section. Moneys in the fund
38 shall include:

39 (a) Moneys allocated pursuant to section 33-6406(4), Idaho Code; and

40 (b) Any interest earned on moneys in the fund.

41 (2) To be eligible for a distribution from the small district stabi-
42 lization fund, a school district must:

43 (a) Have fewer than two thousand (2,000) full-time student enroll-
44 ments;

45 (b) Have experienced a reduction in the current fiscal year's per-pupil
46 funding rate from the previous fiscal year's per-pupil funding rate;
47 and

48 (c) Not collect a maintenance and operations levy.

1 (3) All eligible school districts as identified in subsection (2)
2 of this section will receive an allocation from the small district sta-
3 bilization fund in an amount that results in no difference between the
4 current school year's per-pupil funding rate and the previous school year's
5 per-pupil funding rate.

6 (4) The amount of funds to be distributed from the small district stabi-
7 lization fund to each eligible school district as identified in this section
8 shall be calculated after unexpended funds identified pursuant to section
9 36-6408(8), Idaho Code, have been distributed.

10 33-6413. IMPLEMENTATION -- RULEMAKING. The department is authorized
11 to take such actions as are necessary to implement and enforce the provisions
12 of this chapter, including the promulgation of any necessary rules.