

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 75

BY EDUCATION COMMITTEE

AN ACT

1 RELATING TO EDUCATION; REPEALING SECTION 33-1017, IDAHO CODE, RELATING
2 TO THE SCHOOL SAFETY AND HEALTH REVOLVING LOAN AND GRANT FUND; AMEND-
3 ING CHAPTER 10, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION
4 33-1017, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING THE PUBLIC EDU-
5 CATION FACILITIES FUND; REPEALING SECTION 33-909, IDAHO CODE, RELATING
6 TO THE PUBLIC SCHOOL FACILITIES COOPERATIVE FUNDING PROGRAM AND THE
7 PUBLIC SCHOOL FACILITIES COOPERATIVE FUND; AMENDING CHAPTER 9, TITLE
8 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-909A, IDAHO CODE, TO
9 ESTABLISH PROVISIONS REGARDING THE TRANSFER OF FUNDS FROM THE PUBLIC
10 SCHOOL FACILITIES COOPERATIVE FUND; REPEALING SECTION 33-909A, IDAHO
11 CODE, RELATING TO THE TRANSFER OF FUNDS FROM THE PUBLIC SCHOOL FACILI-
12 TIES COOPERATIVE FUND; AMENDING SECTION 67-5771A, IDAHO CODE, TO REVISE
13 A PROVISION REGARDING THE TRANSFER OF CERTAIN MONEYS; AMENDING SECTION
14 33-1613, IDAHO CODE, TO REMOVE CODE REFERENCES AND TO MAKE TECHNICAL
15 CORRECTIONS; AMENDING SECTION 6-2212, IDAHO CODE, TO REMOVE CODE REFER-
16 ENCES; AMENDING SECTION 39-8011, IDAHO CODE, TO REMOVE CODE REFERENCES;
17 AND DECLARING AN EMERGENCY AND PROVIDING EFFECTIVE DATES.
18

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

20 SECTION 1. That Section [33-1017](#), Idaho Code, be, and the same is hereby
21 repealed.

22 SECTION 2. That Chapter 10, Title 33, Idaho Code, be, and the same is
23 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
24 ignated as Section 33-1017, Idaho Code, and to read as follows:

25 33-1017. PUBLIC EDUCATION FACILITIES FUND. (1) There is hereby cre-
26 ated a fund in the state treasury to be known as the public education facili-
27 ties fund to which shall be credited all moneys that may be appropriated, ap-
28 portioned, allocated, and paid back to such fund. Moneys in the fund shall
29 be distributed as need-based grants to school districts for the purposes of
30 financing the construction, remodel, and maintenance of school facilities
31 directly related to the school district's core educational mission. No such
32 funds shall be used for facilities with a primary athletic purpose. Grants
33 from such fund shall be distributed to school districts as provided in this
34 section. The fund shall be managed by the office of the state board of edu-
35 cation. For the purposes of this section, "school district" means any public
36 school district established pursuant to the laws of this state, including
37 specially chartered school districts, and shall not include public charter
38 schools established pursuant to chapter 52, title 33, Idaho Code.

39 (2) (a) A school district that is in compliance with all of the require-
40 ments of sections 33-917 and 33-918, Idaho Code, and that demonstrates
41 financial need may apply to the office of the state board of education

1 to receive grant funds from the public education facilities fund to fi-
2 nance the construction, remodel, or maintenance of public school facili-
3 ties pursuant to subsection (1) of this section. An application for
4 such grant shall be submitted to the office of the state board of educa-
5 tion and shall include but not be limited to the following information:

6 (i) A detailed plan that outlines the location, design, plans,
7 and specifications of the proposed school facility construction,
8 remodel, or maintenance project that is the basis of the grant
9 application and includes copies of all bids received related to
10 the proposed school project, the projected cost of such proposed
11 school project as verified by all bids received related to the pro-
12 posed school project, and any costs to finance the project if the
13 funding was to be secured through a bond levy pursuant to chapter
14 8, title 33, Idaho Code;

15 (ii) A copy of the school district's ten (10) year plan created
16 pursuant to section 33-918, Idaho Code;

17 (iii) Details concerning any unsafe or unhealthy conditions as de-
18 scribed in section 33-1613, Idaho Code, that would be abated with
19 the proceeds of the grant;

20 (iv) Whether the applicant school district has failed to approve a
21 bond levy for the proposed school facility project;

22 (v) The financial condition of the applicant school district as
23 shown by copies of its budgets for the preceding three (3) years;

24 (vi) A comprehensive list of all funds that the applicant school
25 district has received from any source in the previous year and any
26 funds that it anticipates to receive from any source in the next
27 year; and

28 (vii) Any other relevant details regarding the financial need of
29 the applicant school district.

30 (b) The office of the state board of education shall review all appli-
31 cations for grant funds pursuant to this section to determine whether
32 to approve any such application and, upon approval, shall award grants
33 in accordance with the provisions of this section. Grant decisions
34 shall be made and awarded to the school districts with the greatest need
35 as represented in the materials submitted with the applications, pro-
36 vided that preference shall be given to rural schools as that term is
37 described in section 33-319, Idaho Code. In reviewing grant applica-
38 tions, the office of the state board of education shall consult with the
39 state department of education and the division of public works within
40 the department of administration to assist in determining whether to
41 award a grant under this section.

42 (c) The office of the state board of education shall prescribe forms for
43 applying for the grant pursuant to this section.

44 (d) The office of the state board of education shall submit payment re-
45 quests for grants awarded pursuant to this section to the state depart-
46 ment of education, and the state department of education shall pay to
47 school districts any grants awarded from the public education facili-
48 ties fund.

49 (e) The applicant school district shall use any funds received pursuant
50 to a public education facilities fund grant in accordance with the plan

1 submitted pursuant to paragraph (a) (i) of this subsection. If funds are
2 used in conflict with such plan, the school district shall pay back the
3 grant funds with interest.

4 (3) Idle moneys in the public education facilities fund shall be in-
5 vested by the treasurer in the same manner as provided pursuant to section
6 67-1210, Idaho Code. Interest earned on moneys in the fund shall be returned
7 to the public education facilities fund.

8 SECTION 3. That Section 33-909, Idaho Code, be, and the same is hereby
9 repealed.

10 SECTION 4. That Chapter 10, Title 33, Idaho Code, be, and the same is
11 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
12 ignated as Section 33-909A, Idaho Code, and to read as follows:

13 33-909A. TRANSFER OF FUNDS FROM THE PUBLIC SCHOOL FACILITIES COOPER-
14 ATIVE FUND. Pursuant to section 67-1206, Idaho Code, the state controller
15 shall transfer the unobligated cash balance remaining in the public school
16 facilities cooperative fund established pursuant to section 33-909, Idaho
17 Code, to the public education facilities fund established pursuant to sec-
18 tion 33-1017, Idaho Code. Such transfer shall occur on July 1, 2025, or as
19 soon thereafter as practicable, and no later than December 1, 2025.

20 SECTION 5. That Section 33-909A, Idaho Code, be, and the same is hereby
21 repealed.

22 SECTION 6. That Section 67-5771A, Idaho Code, be, and the same is hereby
23 amended to read as follows:

24 67-5771A. PUBLIC SCHOOL HEALTH INSURANCE PARTICIPATION FUND. (1)
25 There is hereby created in the state treasury the public school health in-
26 surance participation fund. The fund is continuously appropriated to the
27 state department of education for the purpose of funding the actuarially
28 established onetime amount required for a public school to buy ~~in to~~ into
29 the state's medical and dental group insurance plan. The fund shall consist
30 of moneys made available through legislative transfers, appropriations, or
31 as otherwise provided by law and shall be available for use only to publicly
32 funded K-12 educational institutions. Interest earnings from the invest-
33 ment of moneys in the fund shall be returned to the fund.

34 (2) All moneys in the fund shall be used only for onetime expenses as-
35 sociated with accommodating participation into the state's health plan as
36 set forth in this section. The state department of education shall make pay-
37 ment or payments to the office of group insurance for this purpose within a
38 reasonable time of participants being identified. If demand exceeds avail-
39 able funds, the state department of education shall administer the fund on
40 a first-come, first-served basis. No funds may be expended prior to July 1,
41 2022, and any unexpended moneys remaining in the fund after June 30, 2025,
42 shall be transferred by the state controller as follows: one-half (1/2) to
43 the public education facilities fund created in section 33-1017, Idaho Code,
44 and one-half (1/2) to the public charter school facilities program fund cre-
45 ated in section 33-5218, Idaho Code.

1 SECTION 7. That Section 33-1613, Idaho Code, be, and the same is hereby
2 amended to read as follows:

3 33-1613. SAFE PUBLIC SCHOOL FACILITIES REQUIRED. (1) Definition. As
4 used in this section, "public school facilities" means the physical plant of
5 improved or unimproved real property owned or operated by a school district,
6 a charter school, or a school for children in any ~~grades~~ grade kindergarten
7 through ~~twelve~~ ~~(12)~~ grade 12 that is operated by the state of Idaho, in-
8 cluding school buildings, administration buildings, playgrounds, athletic
9 fields, etc., used by schoolchildren or school personnel in the normal
10 course of providing a general, uniform and thorough system of public, free
11 common schools, but does not include areas, buildings or parts of buildings
12 closed from or not used in the normal course of providing a general, uniform
13 and thorough system of public, free common schools. The aspects of a safe en-
14 vironment conducive to learning as provided by section 33-1612, Idaho Code,
15 that pertain to the physical plant used to provide a general, uniform and
16 thorough system of public, free common schools are hereby defined as those
17 necessary to comply with the safety and health requirements set forth in this
18 section.

19 (2) Inspection. It is the duty of the board of trustees of every school
20 district and the governing body for other schools described in subsection
21 (1) of this section at least once in every school year to require an indepen-
22 dent inspection of the school district's or other entity's school facilities
23 to determine whether those school facilities comply with codes addressing
24 safety and health standards for facilities, including electrical, plumbing,
25 mechanical, elevator, fire safety, boiler safety, life safety, structural,
26 snow loading, and sanitary codes, adopted by or pursuant to the Idaho uni-
27 form school building safety act, chapter 80, title 39, Idaho Code, adopted
28 by the state fire marshal, adopted by generally applicable local ordinances,
29 or adopted by rule of the state board of education and applicable to school
30 facilities. The inspection shall be done pursuant to chapter 80, title 39,
31 Idaho Code, or by an independent inspector professionally qualified to con-
32 duct inspections under the applicable code. The results of the inspection
33 shall be presented to the administrator of the division of occupational and
34 professional licenses and the board of trustees or other governing body for
35 its review and consideration.

36 (3) Abatement required -- Reporting. The board of trustees or other
37 governing body shall require that the unsafe or unhealthy conditions be
38 abated and shall instruct the school district's or other entity's person-
39 nel to take necessary steps to abate unsafe or unhealthy conditions. The
40 board of trustees or other governing body must issue a report in the same
41 school year in which the inspections are made declaring whether any unsafe
42 or unhealthy conditions identified have not been abated. The state board
43 of education shall, by rule, provide for uniform reporting of unsafe and
44 unhealthy conditions and for uniform reporting of abatement or absence of
45 abatement of unsafe and unhealthy conditions. Copies of such reports shall
46 be provided to the administrator of the division of occupational and profes-
47 sional licenses and the board of trustees of the school district.

48 (4) Costs of and plan of abatement. If the school district or other en-
49 tity described in subsection (1) of this section can abate all unsafe or un-

1 healthy conditions identified with the funds available to the school dis-
2 trict or other entity, it shall do so, and it need not separately account for
3 the costs of abatement nor segregate funds expended for abatement. If the
4 school district or other entity cannot abate all unsafe or unhealthy con-
5 ditions identified with the funds available to it, the board of trustees or
6 other governing body shall direct that a plan of abatement be prepared. The
7 plan of abatement shall provide a timetable that shall begin no later than
8 the following school year and that shall provide for abatement with all de-
9 liberate speed of unsafe and unhealthy conditions identified. The abatement
10 plan shall be submitted to the administrator of the division of occupational
11 and professional licenses. The school district or other entity shall imme-
12 diately begin to implement its plan of abatement and must separately account
13 for its costs of abatement of unsafe and unhealthy conditions and separately
14 segregate funds for the abatement of unsafe and unhealthy conditions as re-
15 quired by subsection (5) of this section.

16 (5) Special provisions for implementation of plan of abatement.

17 (a) Notwithstanding any other provisions of law concerning expenditure
18 of lottery moneys distributed to the school district or other entity,
19 all lottery moneys provided to the school district or other entity for
20 a school year in which the school district cannot abate unsafe or un-
21 healthy conditions identified and not legally encumbered to other uses
22 at the time and all lottery moneys for following school years shall be
23 segregated and expended exclusively for abatement of unsafe and un-
24 healthy conditions identified until all of the unhealthy and unsafe
25 conditions identified are abated, ~~provided, if the school district~~
26 ~~has obtained a loan from the school safety and health revolving loan~~
27 ~~and grant fund, the provisions of section 33-1017, Idaho Code, and the~~
28 ~~conditions of the loan shall determine the use of the school district's~~
29 ~~lottery moneys during the term of the loan.~~

30 (b) If the lottery moneys referred to in paragraph (a) of this subsec-
31 tion will, in the board of trustees' or other governing bodies' esti-
32 mation, be insufficient to abate the unsafe and unhealthy conditions
33 identified, the plan of abatement shall identify additional sources of
34 funds to complete the abatement of the unsafe and unhealthy conditions.
35 The board of trustees may choose from among the following sources, or
36 from other sources of its own identification, but the plan of abatement
37 must identify sufficient sources of funds for abatement.

38 (i) If the school district is not levying under chapter 8, ti-
39 tle 33, Idaho Code, at the maximum levies allowed by law for levies
40 that may be imposed by a board of trustees without an election, the
41 board of trustees may increase any of those levies as allowed by
42 law for the school year following the school year in which it was
43 unable to abate unsafe or unhealthy conditions identified.

44 (ii) If the school district is levying under chapter 8, title 33,
45 Idaho Code, at the maximum levies allowed by law for levies that
46 may be imposed by the board of trustees without an election, ~~or~~
47 ~~if~~, after increasing those levies to the maximum levies allowed by
48 law for levies that may be imposed by the board of trustees with-
49 out an election, there will still be insufficient funds to abate
50 unsafe or unhealthy conditions identified, the school district,

1 after giving notice and conducting a hearing, may declare a finan-
 2 cial emergency and/or may apply for a loan or, if eligible, an in-
 3 terest grant from the school safety and health revolving loan and
 4 grant fund as provided in section 33-1017, Idaho Code, to obtain
 5 funds to abate the unsafe or unhealthy conditions identified.

6 (iii) Upon the declaration of a financial emergency, the board of
 7 trustees shall have the power to impose a reduction in force, to
 8 freeze some or all salaries in the school district, and/or to sus-
 9 pend some or all contracts that may be legally suspended upon the
 10 declaration of a financial emergency; provided, that when a board
 11 of trustees declares a financial emergency, ~~or when a declaration~~
 12 ~~of a financial emergency is imposed by the state treasurer pur-~~
 13 ~~suant to section 33-1017, Idaho Code,~~ and there is a reduction in
 14 force, some or all salaries are frozen, or some contracts are sus-
 15 pended, the payments to the school district under the foundation
 16 program of chapter 10, title 33, Idaho Code, and in particular the
 17 staff allowances under that chapter, shall not be reduced during
 18 the duration of the financial emergency as a result of a reduction
 19 in force, frozen salaries, or suspended salaries from what the
 20 staff allowance would be without the reduction in force, frozen
 21 salaries or suspended contracts.

22 (c) All costs of abatement for a program implementing plans of abate-
 23 ment under ~~subsection (5) of this section~~ this subsection must be
 24 separately accounted for and documented with regard to abatement of
 25 each unsafe or unhealthy condition identified. ~~Funds obtained under~~
 26 ~~section 33-1017, Idaho Code, must be used exclusively to abate unsafe~~
 27 ~~or unhealthy conditions identified. Funds obtained pursuant to section~~
 28 ~~33-1017, Idaho Code, in excess of funds necessary to abate unsafe or~~
 29 ~~unhealthy conditions identified must be returned as provided in section~~
 30 ~~33-1017, Idaho Code. Return of these funds shall be judicially enforce-~~
 31 ~~able as provided in section 33-1017, Idaho Code.~~

32 SECTION 8. That Section 6-2212, Idaho Code, be, and the same is hereby
 33 amended to read as follows:

34 6-2212. STATE SUPERVISION. When authorized by law, the district
 35 court, ~~or the state board of education pursuant to section 33-909, Idaho~~
 36 ~~Code,~~ may issue an order for state supervision of a local school district.
 37 When an order for state supervision of a local school district is entered by
 38 the district court, the superintendent of public instruction shall within
 39 thirty-five (35) calendar days appoint, at local school district expense, an
 40 officer to be known as a district supervisor. ~~When an order for state super-~~
 41 ~~vision of a local school district is entered by the state board of education,~~
 42 ~~the district supervisor shall be appointed pursuant to section 33-909, Idaho~~
 43 ~~Code, at local school district expense.~~ The district supervisor shall have
 44 authority to approve or disapprove any actions of the board of the local
 45 school district, to supervise or dismiss superintendents, assistant super-
 46 intendents, and any other district administrative personnel, and to take
 47 any actions necessary to further the local school district's obligations
 48 to provide constitutionally required educational services. In the case
 49 of appointment by the superintendent of public instruction, the district

1 supervisor shall serve at the pleasure of the superintendent of public in-
2 struction until removed by the superintendent of public instruction or the
3 superintendent of public instruction reports to the district court that the
4 local school district is in substantial compliance with its obligations to
5 provide constitutionally required educational services, or until the dis-
6 trict court, upon its own motion or upon motion of any of the parties, orders
7 state supervision to end. ~~In the case of appointment by the state board of~~
8 ~~education, the district supervisor shall serve pursuant to section 33-909,~~
9 ~~Idaho Code.~~

10 SECTION 9. That Section 39-8011, Idaho Code, be, and the same is hereby
11 amended to read as follows:

12 39-8011. VIOLATIONS. (1) If a school district, the district superin-
13 tendent, principal, board of trustees, or other person in charge willfully
14 violates the provisions of this chapter, the state superintendent of pub-
15 lic instruction shall withhold such ensuing apportionments as are necessary
16 to make repairs to abate the identified imminent safety hazard or serious
17 safety hazard. Withheld funds, not to exceed one and one-half percent (1
18 1/2%) of the district's appropriation, shall be disbursed only to pay for
19 such repairs.

20 ~~(2) If the funds that would be raised over two (2) fiscal years from ap-~~
21 ~~plying the provisions of subsection (1) of this section are insufficient, in~~
22 ~~combination with all moneys that will be available in the district's school~~
23 ~~building maintenance allocation for the same period, to provide sufficient~~
24 ~~moneys to abate the identified imminent or serious safety hazard, then the~~
25 ~~administrator shall submit an application to abate said hazard to the Idaho~~
26 ~~public school facilities cooperative funding program panel pursuant to sec-~~
27 ~~tion 33-909, Idaho Code.~~

28 ~~(3) (2)~~ It is a misdemeanor to remove, without permission of the admin-
29 istrator, a notice or order posted pursuant to this chapter.

30 SECTION 10. An emergency existing therefor, which emergency is hereby
31 declared to exist, Sections 1, 2, 4, 6, and 7 of this act shall be in full
32 force and effect on and after passage and approval, and Sections 3, 5, 8, and
33 9 of this act shall be in full force and effect on and after January 1, 2026.