

Minutes of the Joint Legislative Oversight Committee  
March 21, 2008  
East Conference Room, JR Williams Building  
Boise, Idaho

Co-chair Shawn Keough called the meeting to order at 8:05 a.m. Attending the meeting were Senators John McGee, Elliot Werk, and Dick Sagness (substituting for Edgar Malepeai during session), and Representatives Margaret Henbest, Maxine Bell, Clifford Bayer, and Donna Boe. Also present were Rakesh Mohan, Director, Margaret Campbell, Administrative Coordinator, and all other OPE staff.

Co-chair Keough welcomed those in attendance, including:  
Representatives: Sharon Block, Liz Chavez, and Phylis King  
Judiciary Branch: Patti Tobias  
Division of Financial Management: Richard Budzich  
State Board of Education: Mark Browning  
Department of Correction: Brent Reinke  
Department of Health and Welfare: Heather Wheeler  
Department of Education: Jason Hancock  
Public Charter School Commission: Tamara Baysinger

**SECOND FOLLOW-UP REPORT RELEASE: STATE SUBSTANCE ABUSE TREATMENT EFFORTS**

**Senator McGee moved to release the follow-up report on substance abuse treatment efforts. Representative Henbest seconded the motion, and it unanimously passed by voice vote.**

Carrie Parrish and Maureen Shea, Performance Evaluators, summarized the efforts of agencies to implement report recommendations. In response to a question from Representative Henbest, Ms. Parrish said the Department of Health and Welfare originally thought the contract with the University of Nevada would have a component to strengthen treatment provider credentialing requirements; however, the component was not included in the final contract. The university will certify and audit providers, and the department plans to develop criteria to strengthen credentialing requirements.

**Representative Henbest moved to close follow-up work on state substance abuse treatment efforts given the establishment and oversight of the Interagency Committee. Representative Bell seconded the motion, and it passed unanimously by voice vote.**

**FOLLOW-UP REPORT RELEASE: VIRTUAL SCHOOL OPERATIONS**

**Senator McGee moved to release the follow-up report on virtual school operations. Senator Werk seconded the motion, and it unanimously passed by voice vote.**

Amy Lorenzo, Senior Performance Evaluator, summarized efforts to implement report recommendations. Ms. Lorenzo provided the following answers to questions from Representatives Henbest and Boe:

- Staff of the Board of Education sought clarification about what rules to apply to charter schools, but did not provide that information to the Oversight Committee because they said it was confidential.
- The intent of recommendation 8 was to see if variations in virtual school operations affected student outcomes. Staff of the commission said that analyzing the relationship between variations and outcomes was outside their authority.
- The Public Charter School Commission has oversight of charter schools, specifically related to student performance. In its written response, the commission said it would look at additional rule making and annual reporting requirements for the schools. In addition, programmatic audits of the schools could address some of the suggested reporting requirements.
- One school board continues to be the authorized chartering entity for a virtual school. Placing the school under the oversight of the commission would require revoking the authority of the school board. The intent of recommendation 2 was not to force the commission to accept the school, but to streamline and centralize oversight of all virtual schools to the commission.

Representative Bell said recommendations 2, 3, and 4 were obvious areas for clarifying statute. She asked if these recommendations could be forwarded to the germane committees.

Representative Boe asked if the commission could respond to these recommendations. Ms. Tamara Baysinger, Charter Schools Program Manager, addressed the committee on the three recommendations:

- Recommendation 2: Statute provides an option to transfer oversight of charter schools with the agreement of all three parties. However, statute does not have a structure to follow if one party disagrees. IDEA had requested transfer and was denied, but the commission has said it would look at a second transfer request in the future.
- Recommendation 3: The commission is working to establish annual reporting requirements for the schools, probably through programmatic audits, within an existing report.
- Recommendation 4: The commission exists only with respect to charter schools. If a school district creates a nonchartered virtual school, oversight would be outside the authority of the commission.

**Representative Boe moved to close follow-up work on charter school operations and to forward recommendations 2, 3, and 4 to germane committees for legislative consideration. Representative Bell seconded the motion, and it passed unanimously by voice vote.**

#### **TOPIC SELECTION**

Mr. Mohan said the office could take on one project. The Oversight Committee discussed the requests for evaluation:

- **Sheltered Workshops.** Representative Bell said the topic was a budgeting black hole for JFAC. It had been in the queue for a long time and she said the committee should either select or close it.
- **Water Quality.** Representative Bell said concerns about private wells should be addressed to the Department of Environmental Quality.
- **Affordable Housing.** Mr. Mohan said he did not know which state department the request would fall under. He could talk to Budget and Policy Analysis and provide background information to the committee at another meeting.
- **Marion Prichard High School.** Mr. Mohan said the request may not have an evaluation component. Representative Bell said information was available through the department, but ultimately the germane committees would need to make a policy decision whether to continue funding the school. She said she would help the requestor with this issue.
- **Public School Funding Formula.** Representative Bell said the study may be too big to complete in the same year that OPE conducts a transportation study. Mr. Mohan said OPE could handle a reduced funding formula study by addressing items 1 and 2 of the five listed in Senate Concurrent Resolution 122. Representative Boe noted that with the development of charter, magnet, and alternative schools, each requiring different funding, an evaluation was timely. Co-chair Keough added that schools have more requirements since the funding formula was last evaluated. Half the school districts were passing supplemental levies. Many of these pieces were needed to determine whether holes exist in the formula. Senator Sagness said that if traditional schools are to progress, incentives in the funding formula were needed to encourage innovation.
- **Adult Protection.** Representative Henbest said an evaluation was not needed immediately, but the topic should be in the queue for consideration at another time. The state needs to know if the process is problematic and how to fix it.

**Senator Werk moved to conduct an evaluation on the funding formula for items 1 and 2 of SCR 122 and to look at initial issues associated with affordable housing. Representative Boe seconded the motion.**

Representative Bell said she did not see the affordable housing issue as one the committee needed to spend time on.

**Representative Bell offered a substitute motion to conduct an evaluation on the funding formula for items 1 and 2 of SCR 122.**

**Senator McGee seconded the substitute motion, and it passed unanimously by voice vote.**

**Representative Bell asked for unanimous consent to receive an update of *Governance of Information Technology and Public Safety Communications* in 6 months. The request passed by unanimous consent.**

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The committee discussed HCR50 requesting an evaluation of the Idaho Transportation Department. Representative Henbest said that once the resolution passed the Legislature, the request would come to the committee for approval; however, the committee was not bound to a specific scope. Mr. Mohan said scope questions would need rephrasing, and he would consult with JLOC and the chairs of the Senate and House Transportation committees to make sure the scope was headed in the right direction.

**Senator Werk moved to conduct an evaluation of the Idaho Transportation Department, contingent on House Concurrent Resolution 50 passing the Senate. Representative Bell seconded the motion, and it passed unanimously by voice vote.**

The committee adjourned at 9:15 am.