



K-12 School Facilities

July 2021

Background

During the 2021 legislative session, the Joint Legislative Oversight Committee directed our office to conduct an evaluation of funding and practices for maintaining, replacing, and building K-12 school facilities throughout the state. As of 2021, there are about 650 schools within the 115 school districts and more than 60 charter schools in Idaho. The Constitution of the State of Idaho requires the state to “provide a thorough education for Idaho’s public school students in a safe environment conducive to learning.”¹

In 2001, the Fourth District Court of Idaho found that the adequacy and method of funding public education facilities was not sufficient for the Legislature to meet its constitutional duty.² At the time, loans were the funding source available to school districts for major repairs or replacement of unsafe school facilities. The district court found that relying on borrowed funds (e.g., bonds) to pay for facilities limited the ability for the poorest school districts to quickly address major, costly, and potentially catastrophic conditions in facilities.

The Legislature made several changes in response to the district court decision, such as increasing the number of funding methods available to school districts for facility repair, establishing a loan and grant fund to provide money to seven school districts to finance facility repair or replacement, and establishing statewide uniform public school building safety standards.

1. *Idaho Schools for Equal Educ. Opportunity v. State*, 142 Idaho 450, 453, 129 P.3d 1199, 1202, (2005).

2. *Id.* at 454, 129 P.3d at 1203.

Even with the changes made by the Legislature, the Idaho Supreme Court upheld the district court’s decision in 2005. While the Supreme Court commended the efforts made by the Legislature to increase funding available for facility repair, they stated that the task was not yet complete.

In 2006, the Legislature passed HB 743 to further address K-12 facility conditions. Changes from HB 743 include supplementing lottery dollars given to districts for facility maintenance and repair and the creation of the Public Schools Facilities Cooperative Funding Program to assist school districts repairing facilities with safety issues.

In the 2006 extraordinary session, the Legislature eliminated the maintenance and operations property tax levy for school districts and replaced it with a one percentage point increase in sales tax with revenues going directly to schools. In 2014, charter schools began receiving a per-pupil allowance for facilities from the state..

In their evaluation request, legislators raised concerns that the ability to fund school facilities through bonds may be breaking down. Districts with rapidly growing populations must continually ask voters for more bonding authority to keep up with growth, while districts with no or slow growth have very aged facilities.

Scope

To help the Legislature understand the nature and extent of the issues with funding, maintaining, and building K-12 school facilities and identify potential policy options, this evaluation will focus on three primary objectives:

1. Analyze the funding sources that are available to districts and charter schools for facility maintenance, replacement, or for building additional facilities

Study the degree to which districts and charter schools have used those funding sources (e.g., supplemental levies, plant facility levies, and bonded debt including the cost of debt service)

Identify major limitations, shortcomings, or barriers districts and charter schools have encountered with available funding sources

2. Determine and describe the nature and scale of the problems that districts face in current school facility conditions and the need for additional facilities

Collect information such as the age, condition, and replacement needs of public school facilities, as well as the need for additional facilities

Work with districts and charter schools through surveys and other outreach methods

3. Identify strategies and best practices that are used in other states to meet K-12 facility needs like those in Idaho

Projected completion date: 2022 legislative session