

Senate Finance Committee

Minutes
2008



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(208) 334-3531

MINUTES

SENATE FINANCE COMMITTEE

DATE: March 13, 2007

TIME: 9:00 A.M.

PLACE: Room 316, Capitol Annex

Present: Chairman Cameron, Richardson, Broadsword, Fulcher, Bastian, Bair, Hammond, Werk, Bilyeu

**Absent/
Excused:** Senator Keough

H 400 **Liquor Account; Increase Money Transferred to Community Colleges**
Mike Mason, Vice President of Finance, College of Southern Idaho, explained that House Bill 400 would change the liquor fund distribution (IC 23-404) for community colleges from \$300,000 to \$600,000. The proposed legislation will result in each community college (North Idaho College, College of Southern Idaho and College of Western Idaho) receiving \$200,000. This will be the first increase in this distribution since 1982.

Over the past 25 years, the College of Southern Idaho and North Idaho College each received \$150,000 from this liquor account. With the addition of the College of Western Idaho, the fund will now be split equally between three community colleges rather than two, which would mean a loss of \$50,000 each for CSI and NIC if a change does not occur.

MOTION: Senator Bastian moved that H 400 be sent to the Floor with a Do Pass recommendation. The motion was seconded by Senator Hammond.

ROLL CALL

VOTE: **AYES:** Cameron, Richardson, Broadsword, Fulcher, Bastian, Bair, Hammond, Werk, Bilyeu

NAYS: None

Excused: Keough

VOTE: 9-0-1

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Cameron.

ADJOURN: There being no further business to come before the Committee, the meeting adjourned at 9:20 A.M.

Respectfully submitted,



**Dean L. Cameron, Chairman
Senate Finance Committee**



Peggy Moyer, Committee Secretary

MINUTES

SENATE FINANCE COMMITTEE

DATE: March 25, 2008

TIME: 9:00 A.M.

PLACE: Room 316, Capitol Annex

Present: Chairman Cameron, Keough, Richardson, Broadsword, Fulcher, Bastian, Bair, Hammond, Werk

**Absent/
Excused:** Senator Bilyeu

H 532 **Provide State Funding to Temporarily Mitigate Impact on certain Idaho School Districts for Loss of Federal Funds**

Representative Ken Roberts, one of four sponsors of the bill, explained that House Bill 532 would amend Chapter 9, Title 33, Idaho Code, to provide state funding from the Public Education Stabilization Fund to temporarily mitigate the impact on certain Idaho school districts for loss of Secure Rural Schools and Community Self-Determination Act federal funds. If the Superintendent of Public Instruction determines that the federal government has reauthorized the Secure Rural Schools and Self-Determination Act, these funds will not be distributed. This bill provides for phasing out funding in Idaho for the schools that have depended heavily on federal funds to help run their school systems. In 2008 (FY09) state funding would be 70% of the federal 2007 amount; in December, 2009 (FY10) state funding would be 55%; December, 2010 (FY2011) 40%; and December, 2011 (FY2012) 25%. Thereafter (FY2013), there would be no funding.

As a background, federal funding initially occurred because some states had up to 90% of their timbered lands federally managed, so those states had no tax base to fund road repairs and provide money to school districts. The federal government determined that those states should receive money from timber harvested from those lands. Over the years, less timber is being harvested, so federal funding is diminishing. Further, it is the feeling of many that Congress has less of an interest in reauthorizing the act that provides these forest funds.

Rep. Roberts referred to two attachments, one showing the federal forest funds distribution by school district and the other handout showing federal forest fund distribution by county.

If state money is used to assist school districts and then the federal government authorizes payment, the money is repaid to the state Public Education Stabilization Fund. However, there is no method to repay the state, if federal funds are not received. Rep. Roberts felt that this was an emergency that qualified for using money from the Public Education Stabilization Fund

Representative Liz Chavez, spoke in support of H 532. She gave an example of a small rural school, Peck Elementary, and how it would be severely impacted by the loss of federal funding. House Bill 532 would provide a temporary safety net while the area tries to develop other sources of funding.

Senator John Goedde also spoke in support of H 532. He said it is imperative that districts surrounding his area that have depended heavily on federal funding have assistance from the state while they are trying to develop other funding sources. He said as Chairman of the Senate Education Committee, he would be receptive to looking at changing the school funding formula. He indicated that the Office of Performance Evaluations will review the funding formula issue this year.

Dr. Wayne Davis, Superintendent of Mountain View School District #244 in Grangeville, Idaho, also spoke in support of H 532. He considers the situation an emergency. He said that 39 of the 114 school districts in Idaho currently benefit from federal funding; his school district receives the largest share of federal funding in Idaho. Mountain View School District's population has declined in the past 10 years, and it is difficult to pass levies. Many of the people in his district feel Congress has a responsibility to provide federal funding since a majority of the area is federal timber land. House Bill 532 would provide stop-gap funding for a period of time while they work to develop other funding sources.

Phil Homer, representing the Idaho Association of School Administrators, also supports H 532. He said there have been times in the past when emergencies did exist and State money was appropriated.

ORIGINAL

MOTION: Senator Keough moved that H 532 be sent to the Floor with a Do Pass recommendation. The motion was seconded by Senator Broadsword.

SUBSTITUTE

MOTION: Senator Werk moved that H 532 be sent to the 14th Order for Amendment. **The motion died for lack of a second.**

**ROLL CALL
VOTE ON
ORIGINAL
MOTION**

AYES: Cameron, Keough, Richardson, Broadsword, Fulcher,
Bastian, Bair, Hammond

NAYS: Werk


Excused: Bilyeu


VOTE: 8-1-1

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was so ordered by Chairman Cameron.

ADJOURN: There being no further business to come before the Committee, the meeting adjourned at 9:43 A.M.

Respectfully submitted,


Dean L. Cameron, Chairman
Senate Finance Committee


Peggy Moyer, Committee Secretary