

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 57

BY EDUCATION COMMITTEE

AN ACT

1 RELATING TO THE IDAHO DIGITAL LEARNING ACADEMY; AMENDING SECTION
 2 33-1228, IDAHO CODE, TO PROVIDE THAT PUBLIC SCHOOL EMPLOYMENT
 3 SHALL BE DEFINED TO INCLUDE THE EMPLOYEES OF THE IDAHO
 4 DIGITAL LEARNING ACADEMY AND TO MAKE A TECHNICAL CORRECTION;
 5 AMENDING SECTION 33-5503, IDAHO CODE, TO REVISE THE MAKEUP OF
 6 THE IDAHO DIGITAL LEARNING ACADEMY BOARD OF DIRECTORS AND
 7 TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 33-5504A,
 8 IDAHO CODE, TO REVISE STATUTORY PROVISIONS REGARDING THE
 9 IDAHO DIGITAL LEARNING ACADEMY CONCERNING SICK LEAVE AND
 10 SEVERANCE ALLOWANCE AT RETIREMENT; DECLARING AN EMERGENCY
 11 AND PROVIDING RETROACTIVE APPLICATION.
 12

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

14 SECTION 1. That Section 33-1228, Idaho Code, be, and the same is hereby amended to
 15 read as follows:

16 33-1228. SEVERANCE ALLOWANCE AT RETIREMENT. (1) Upon separation from
 17 public school employment by retirement in accordance with chapter 13, title 59, Idaho Code,
 18 an employee's unused sick leave shall be determined based on accumulated sick leave earned
 19 subsequent to July 1, 1976, as provided by section 33-1218, Idaho Code, and shall be reported
 20 by the employer to the Idaho public employee retirement system. A sum equal to one-half
 21 (1/2) of the monetary value of such unused sick leave, calculated at the rate of pay for such
 22 employee at the time of retirement, as determined by the retirement board, shall be transferred
 23 from the sick leave account provided by subsection (~~23~~) of this section and shall be credited
 24 to such employee's retirement account. Such sums shall be used by the retirement board to
 25 continue to pay, subject to applicable federal tax limits:

26 (a) Premiums for the retiree and the retiree's dependents at the rate for the active
 27 employee's group health, long-term care, vision, prescription drug and dental insurance
 28 programs as maintained by the employer for the active employees until the retiree and/or
 29 the retiree's spouse becomes eligible for medicare at which time the district shall make
 30 available a supplemental program to medicare for the eligible individual. Upon the death
 31 of the retiree the surviving spouse's health coverage shall be available and continued
 32 under the same terms and conditions as the retiree. Coverage may be continued for
 33 the retiree's surviving dependent spouse and dependents until remarriage of the spouse
 34 or until the retiree's surviving dependent spouse is eligible for a group health program
 35 by an employer. The medicare supplement program will provide the same premium
 36 and benefits for all retirees of all the employers served by the same insurance carrier.
 37 However, a school district may make available to all retirees from that district other

1 benefits in addition to the medicare supplement program and the retiree or the district
2 shall pay for such additional benefits.

3 (b) Premiums at the time of retirement for the retiree for the life insurance program
4 maintained by the employer which may be reduced to a minimum of five thousand dollars
5 (\$5,000) of coverage.

6 (2) The retiree may continue to pay the premiums for the health, accident, dental and
7 life insurance to the extent of the funds credited to the employee's account pursuant to this
8 section and when these funds are expended the premiums may be deducted from the retiree's
9 allowance. Upon a retiree's death, any unexpended sums remaining in the retiree's account
10 shall revert to the sick leave account. If funds are not available for payment by the Idaho
11 public employee retirement system from the retiree's surviving dependent spouse's allowance,
12 the insurance carrier shall implement a direct billing procedure to permit the retiree's surviving
13 spouse to continue coverage.

14 (3) Each employer shall contribute to a sick leave account maintained by the public
15 employee retirement system in trust exclusively for the purpose of the provisions of this
16 section. The retirement board shall serve as trustee of the trust and shall be indemnified to
17 the same extent as provided in section 59-1305, Idaho Code. Assets in the trust shall not
18 be assignable or subject to execution, garnishment or attachment or to the operation of any
19 bankruptcy or insolvency law. The rate of such contribution each pay period shall consist of
20 a percentage of employees' salaries as determined by the board, and such rate shall remain
21 in effect until next determined by the board. Any excess balance in the sick leave account
22 shall be invested, and the earnings therefrom shall accrue to the sick leave account except the
23 amount required by the board to defray administrative expenses. Assets of the trust may be
24 commingled for investment purposes with other assets managed by the retirement board. All
25 moneys payable to the sick leave account are hereby perpetually appropriated to the board, and
26 shall not be included in its departmental budget.

27 (4) For purposes of this section public school employment shall be defined to include
28 the employees of the Idaho digital learning academy, and to permit inclusion of employees of
29 organizations funded by school districts or of contributions of employees of school districts.

30 SECTION 2. That Section 33-5503, Idaho Code, be, and the same is hereby amended to
31 read as follows:

32 33-5503. ACADEMY BOARD OF DIRECTORS. (1) There is hereby created an
33 academy board of directors which shall be responsible for the development and oversight of the
34 Idaho digital learning academy.

35 (2) The academy board of directors shall be comprised of eight (8) voting members and
36 one (1) nonvoting member as follows:

37 (a) Three (3) members shall be superintendents, each elected to a three (3) year term
38 and each representing two (2) educational classification regions as established by the
39 state board of education. One (1) superintendent shall be elected from among the
40 superintendents in regions one and two on a rotating term basis between the two (2)
41 regions; one (1) superintendent shall be elected from among the superintendents in
42 regions three and four on a rotating term basis between the two (2) regions; and one (1)
43 superintendent shall be elected from among the superintendents in regions five and six on
44 a rotating term basis between the two (2) regions;

1 (b) Two (2) members shall be ~~high school~~ principals, each elected to a three (3) year
2 term by the governing body of the Idaho association of ~~secondary~~ school administrators;

3 (c) Two (2) members shall be citizens at-large who are not professional educators,
4 appointed by the members of the academy board, each to a term of three (3) years; ~~and~~

5 (d) The state superintendent of public instruction shall be a voting member and shall
6 serve concurrently with the term of office to which the state superintendent is elected; and

7 (e) One (1) member shall be an ex officio, nonvoting member appointed by the academy
8 board of directors to serve as secretary to the academy board.

9 (3) For purposes of establishing staggered terms of office, the initial term of office for the
10 superintendent position representing educational classification regions one and two shall be one
11 (1) year, and thereafter shall be three (3) years. The initial term of office for the superintendent
12 position representing educational classification regions three and four shall be two (2) years,
13 and thereafter shall be three (3) years. The superintendent position representing educational
14 classification regions five and six shall be three (3) years. The initial term of office for one
15 (1) ~~high school~~ principal position shall be one (1) year and thereafter shall be three (3) years,
16 and the initial term of office for the other ~~high school~~ principal position shall be two (2) years
17 and thereafter shall be three (3) years. The initial term of office for one (1) member at-large
18 shall be one (1) year and thereafter shall be three (3) years, and the term of office for the other
19 member at-large shall be three (3) years.

20 (4) No voting member shall serve for more than two (2) consecutive full terms.
21 Members of the board who are appointed to fill vacancies which occur prior to the expiration of
22 a former member's full term shall serve the unexpired portion of such term.

23 (5) The board shall meet in person at least three (3) times annually; none of these three
24 (3) meetings shall be conducted by telephone or video conferencing.

25 SECTION 3. That Section 33-5504A, Idaho Code, be, and the same is hereby amended
26 to read as follows:

27 33-5504A. GOVERNMENTAL ENTITY ~~—LIABILITY—INSURANCE~~. (1) The
28 Idaho digital learning academy shall be a governmental entity as provided in section 33-5502,
29 Idaho Code. For the purposes of section 59-1302(15), Idaho Code, the Idaho digital learning
30 academy created pursuant to this chapter shall be deemed a governmental entity. Pursuant to
31 the provisions of section 63-3622O, Idaho Code, sales to or purchases by the Idaho digital
32 learning academy are exempt from payment of the sales and use tax. The Idaho digital learning
33 academy, its employees and its board of directors are subject to the following provisions in the
34 same manner as a traditional public school and the board of trustees of a school district:

35 (a) Sections 18-1351 through 18-1362, Idaho Code, on bribery and corrupt influence,
36 except as provided by section 33-5204A(2), Idaho Code;

37 (b) Chapter 2, title 59, Idaho Code, on prohibitions against contracts with officers;

38 (c) Chapter 7, title 59, Idaho Code, on ethics in government;

39 (d) Chapter 23, title 67, Idaho Code, on open public meetings; ~~and~~

40 (e) Chapter 3, title 9, Idaho Code, on disclosure of public records;

41 (f) Section 33-1216, Idaho Code, on sick and other leave;

42 (g) Section 33-1217, Idaho Code, on accumulation of unused sick leave;

43 (h) Section 33-1218, Idaho Code, on sick leave in excess of statutory minimum amounts;

44 and

45 (i) Section 33-1228, Idaho Code, on severance allowance at retirement.

1 (2) The Idaho digital learning academy may sue or be sued, purchase, receive, hold and
2 convey real and personal property for school purposes, and its employees, directors and officers
3 shall enjoy the same immunities as employees, directors and officers of traditional public school
4 districts and other public schools, including those provided by chapter 9, title 6, Idaho Code.

5 (3) The Idaho digital learning academy shall secure insurance for liability and property
6 loss.

7 (4) It shall be unlawful for:

8 (a) Any director to have pecuniary interest directly or indirectly in any contract or
9 other transaction pertaining to the maintenance or conduct of the Idaho digital learning
10 academy, or to accept any reward or compensation for services rendered as a director
11 except as may be otherwise provided in this subsection (4). The board of directors
12 of the Idaho digital learning academy may accept and award contracts involving the
13 Idaho digital learning academy to businesses in which the director or a person related
14 to him by blood or marriage within the second degree of consanguinity has a direct or
15 indirect interest, provided that the procedures set forth in section 18-1361 or 18-1361A,
16 Idaho Code, are followed. The receiving, soliciting or acceptance of moneys of the
17 Idaho digital learning academy for deposit in any bank or trust company, or the lending
18 of moneys by any bank or trust company to the Idaho digital learning academy, shall
19 not be deemed to be a contract pertaining to the maintenance or conduct of the Idaho
20 digital learning academy within the meaning of this section; nor shall the payment of
21 compensation by the Idaho digital learning academy board of directors to any bank or
22 trust company for services rendered in the transaction of any banking business with the
23 Idaho digital learning academy board of directors be deemed the payment of any reward
24 or compensation to any officer or director of any such bank or trust company within the
25 meaning of this section.

26 (b) The board of directors of the Idaho digital learning academy to enter into or execute
27 any contract with the spouse of any member of such board, the terms of which said
28 contract require, or will require, the payment or delivery of any Idaho digital learning
29 academy funds, moneys or property to such spouse, except as provided in section 18-1361
30 or 18-1361A, Idaho Code.

31 (5) When any relative of any director, or relative of the spouse of a director related by
32 affinity or consanguinity within the second degree, is to be considered for employment in the
33 Idaho digital learning academy, such director shall abstain from voting in the election of such
34 relative, and shall be absent from the meeting while such employment is being considered and
35 determined.

36 SECTION 4. An emergency existing therefor, which emergency is hereby declared to
37 exist, Sections 1 and 3 of this act shall be in full force and effect on and after passage and
38 approval, and retroactively to July 1, 2008. Section 2 of this act shall be in full force and effect
39 on and after its passage and approval.