

MINUTES
SENATE EDUCATION COMMITTEE

- DATE:** Monday, March 12, 2012
- TIME:** 3:00 P.M.
- PLACE:** Room WW55
- MEMBERS PRESENT:** Chairman Goedde, Vice Chairman Mortimer, Senators Pearce, Fulcher, Winder, Toryanski, Malepeai, and LeFavour
- ABSENT/ EXCUSED:** Senator Andreason
- NOTE:** The sign-in sheet, testimonies, and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.
- MINUTES:** **Chairman Goedde** called the meeting to order at 3:12 P.M. and asked the secretary to take a silent roll. The **Chairman** reordered the agenda to move the presentation of the National Conference of State Legislatures to the top. **Chairman Goedde** then introduced **Michelle Exstrom** to the committee.
- PRESENTATION:** **Michelle Exstrom**, Education Program Principal of National Conference of State Legislatures (NCSL), gave the committee an update of education policies in the states. **Ms. Exstrom** offered a power point presentation on the state of K-12 education. She discussed the decrease of tax revenues and gaps between projected revenues and expenditures in K-12 education through 2020. NCSL has opened dialogue with state legislators to improve positive outcomes in difficult budget times. **Ms. Exstrom** discussed policy options available to state legislatures to help students find success.
- Julie Davis Bell** of National Conference of State Legislatures for higher education presented the major topic across the country. The relationship between the states and higher education are changing. The driver is state funding capacity and budgets; she noted that Idaho has been doing notably well here. **Ms. Bell** also discussed the challenges with college completion rates and the need of higher education for employment. Student populations needs are changing as there are more nontraditional students, students changing institutions, and students taking longer to complete a degree. Those students need different kinds of services from higher education. New providers, such as online and for-profit, have also changed higher education approaches. **Ms. Bell** said in terms of outcomes and accountability states need more from higher education. Supporting documents related to this testimony have been archived and can be accessed in the office of the Committee Secretary (see Attachment #1).
- Chairman Goedde** noted it was nice to work on a national level and see that Idaho is not alone in the issues it faces regarding education.

QUESTIONS:

Senator Malepeai asked about the impact of institutional efficiencies and structural changes on post secondary education. **Ms. Bell** noted that Maryland has been pushing through an efficiency and effectiveness plan that incorporated technology, instruction, and other facets; this plan has been working well. The response from the legislature and the public has been positive. **Senator Malepeai** continued by asking if a chancellor system versus Idaho's appointed State Board of Education was a preference across the country. **Ms. Bell** indicated many states were looking at the governance systems for higher education. The history and philosophy of each state's system and other factors are being considered when looking at changing the system. Idaho is somewhat envied for the incorporation of higher education into the K-12 system to view as a complete K-16 system. Most states have the two different systems separated. Many states are looking at where inefficiencies exist in their systems and what can be done to improve them.

Senator LeFavour said that higher education needs to be accountable. To help students absorb less debt could student fees be reduced with the use of budget incentives? **Ms. Bell** said there has been direction from the President toward institutions to be more thoughtful about tuition levels. The universities are being rewarded with federal dollars based upon what they've been able to accomplish. Some state legislatures are concerned about that plan, due to the control issues between the institution and the state. There has been interest expressed in subsidizing certain things, like application fees. They are seeing policies being designed such as tying financial aid to years completed or credit hours. The goal is to decrease the kind of debt accumulated by students.

H 588:

Senator Brackett introduced **H 588**, which addresses border contracts between school districts with border states. Current law requires the state to pay whatever is charged by the border state's school district. This legislation provides for an enhancement of the existing state funding formula for those students being educated out of state. Four school districts currently contract out of state; Bruneau-Grandview, Soda Springs, Pleasant Valley and Swan Valley. This will allow the school district to negotiate with out-of-state districts for better rates with border states.

Representative Hartgen presented an example of school district costs rising sharply and concerns border districts have had with the fee charges. He provided an example with the Owyhee City, Nevada district. **Representative Hartgen** stated that costs in one district had risen from approximately \$400,000 in 2005 to \$697,000 today, and it continues to increase. The costs are passed through to the state, not falling on the districts and property tax owners. This legislation proposes a separate category for these border districts. This would also be a trigger for other adjustments, such as improved transportation rates. It was noted that it was in the best interest of the state to negotiate better rates with border districts in other states and this gives them leverage by increasing the money they have available. He recommends letting individual districts negotiate, rather than the State Department of Education, that will keep things in local control.

QUESTIONS:

Senator Mortimer asked what are the lowest minimum support units and more clarification on funding numbers. **Representative Hartgen** deferred to **Jason Hancock** from the Department of Education. **Mr. Hancock** indicated that the lowest minimum support unit divisor is not applied because in secondary schools that figure is eight support units, and the intention is not to create a funding stream. An enhanced funding stream would allow schools to negotiate better rates.

Senator Mortimer asked for dollar amount per student numbers and if anyone had talked to the other school districts to determine what is occurring with their student fees. **Mr. Hancock** said no interest from the other districts had been expressed, but in two of the other districts the issue may not be relevant. Dollar amount per student in Elmore county equals approximately \$7000 a student. **Senator Mortimer** asked if the goal was to increase the amount of money per student to give the areas the possibility to educate their own students. **Mr. Hancock** said that it makes it financially feasible, not that they will or that they want to, but it makes it a financial possibility. That will put the districts and department in a better negotiating position for price regarding out of state costs.

TESTIMONY:

Terri Gibson, Tribal Chairman, Shoshone – Paiute Tribes, stated they learned about the bill through the media and calls from community members. Their counsel would have appreciated earlier knowledge of this issue. He suggested that these issues should be communicated on a government to government basis to prevent misunderstandings. **Mr. Gibson** said the intent of the bill is understood, but future tribe leaders may change their ideas on how they want children educated, as they are working within the community to lower dropout rates. Transportation is also a priority issue because of condition of roads, length of travel time and other issues. **Mr. Gibson** expressed concerns that students are being used as pawns and students themselves are worried about their education.

QUESTIONS:

Chairman Goedde asked if this legislation was a barrier to sitting down with the local school board. **Mr. Gibson** indicated the school board members said they were willing to communicate.

Senator LeFavour asked if it was anticipated this legislation might create animosity. **Mr. Gibson** indicated that was exactly what they were trying to avoid. The potential issues in the future were a concern, given the concerns they are addressing on the reservation currently. **Mr. Gibson** reminded the committee that 90-95% of Duck Valley does the major portion of business and commerce in Idaho. **Senator LeFavour** asked to clarify as to whether he opposes the bill. **Mr. Gibson** stated he is in opposition of the bill until the two school boards are able to negotiate.

Senator Malepeai asked if it was the preference of the tribe to hold the bill in committee until something is worked out. **Mr. Gibson** said yes. He would help to set up a meeting to resolve this issue.

Senator Winder asked if the bill went to the floor, would it exacerbate the problem or could the issue be worked out while the bill is passed. **Senator Brackett** indicated this could provide a path forward and they would be able to continue face to face negotiations. **Representative Hartgen** stated that there had been conversations between the Bruneau-Grandview and Elko school districts, but since the money comes from the state, there hasn't been a great deal of local discussion. **Mr. Gibson's** comments are appreciated. The sponsor of the bill asked that the students effected by this bill get the word that the effort is not to remove them from their districts but instead to have a statute in place that allows the ability to reduce costs where and when feasible.

Senator LeFavour asked whether there has been consideration of the community that may span the border, and whether holding off on this might help in negotiations. **Representative Hartgen** stated that there was no intention to take students out of their current school district, the only intent is to focus on the rate issue. Idaho does not want to build separate schools in these communities, the statute is only to help decrease costs to the state. Since the cost is passed through to the state, the school district does nothing to negotiate the contract. However, the district came to him with the concern that the statutory encouragement toward negotiation would be valuable.

Senator Brackett apologized for any communications breakdown between the state and the tribe. He reiterated this bill simply provides negotiating ability.

MOTION:

Senator LeFavour moved, seconded by **Senator Malepeai**, to hold **H 588** in committee time certain for one week. **Senator Fulcher** offered a substitute motion, seconded by **Senator Toryanski**, to send **H 588** to the floor with a do pass recommendation. The substitute motion passed on **voice vote**.

PRESENTATION:

Erin Lenz, Teacher of the Year from Winton Elementary School in Coeur d'Alene, ID presented information on the need for every child to learn how to read. She offered a personal story of a child reading below grade level, and noted the importance of reading for all other educational subjects. **Ms. Lenz** said there is a great need to reduce the number of students proceeding in their education without reading at grade level. Literacy skills are becoming more demanding and complex. The effects of illiteracy are costly for society, increasing the likelihood of high school drop outs, incarceration, unemployment and economic costs. She indicated teachers have difficulty passing along information when students do not read at grade level. Early intervention reduces time and costs, and is more successful for student careers. It is critical to have primary teachers dedicated to proficiency in reading. They must have training and resources to be effective. Kindergarten and first grade reading are essential to building a solid educational foundation. Supporting documents related to this testimony have been archived and can be accessed in the office of the Committee Secretary (see Attachment #2).

QUESTIONS:

Senator Fulcher expressed appreciation for **Ms. Lenz's** work, and asked about the profile changes in students now as compared to when she started teaching, eleven years ago. **Ms. Lenz** indicated there is less engagement with students, particularly with those considered at-risk. Because of the changes to instruction, engagement for teachers is more difficult.

Chairman Goedde asked about the effectiveness of the IRI. **Ms. Lenz** stated that the IRI is an indicator to help identify at-risk children immediately at the outset of the school year. However, there are also unintended consequences in that teachers will instruct to the test and not to the skill. **Ms. Lenz** indicated that K-1 should focus on learning reading skills before moving the student forward.

GUBERNATORIAL APPOINTMENT:

Chairman Goedde noted that **William Goesling** had already presented to the committee and a motion was in order. **Senator Fulcher** moved, to send the gubernatorial appointment of **William H. Goesling** to the State Board of Education to the floor with the recommendation that it be confirmed by the Senate. **Senator Winder** seconded the motion. The motion carried on a **voice vote**. **Chairman Goedde** will carry the appointment on the floor.

H 386

Tracie Bent of the State Board of Education, presented **H 386**, which amends existing Idaho code regarding the Freedom Scholarship and the Public Safety Officer Scholarship. **Ms. Bent** explained the Freedom Scholarship provides a full ride scholarship for the dependent of a military veteran disabled by injuries sustained in action or POW/MIA, and the Public Safety Officer Scholarship provides a full ride scholarship for dependents of a public safety officer killed or disabled in the line of duty. The amendments align the two scholarships and provide increased efficiency in management of the programs. The legislation clarifies that dependent means spouse or child, it defines disabled as totally and permanently disabled, and it clarifies the application is only for undergraduate education. Additional language makes clarifications about residency, as current language stands, it is too broad and creates large financial difficulties for the state. The scholarship is based on eligibility, not available funding, thereby requiring the State Board of Education to grant scholarships to all eligible applicants regardless of financial impact to the state.

QUESTIONS: **Senator Toryanski** asked about the language regarding disability and asked if Veterans Service Administration had been consulted. **Ms. Bent** stated that the Veterans Administration uses varying degrees of disability, so the criteria is slightly different, but that the language has been vetted through PERSI as well. **Senator Toryanski** followed up to ask about possible confusion regarding the "totally and permanently disabled" language. **Ms. Bent** stated Social Security determinations were used, and the Department doesn't expect confusion.

MOTION: **Senator Winder** moved, seconded by **Senator Toryanski**, to send **H 386** to the floor with a do pass recommendation. The motion carried by **voice vote**.

ADJOURNMENT: **Chairman Goedde** adjourned the committee at 4:36 P.M.

Senator Goedde
Chairman

LeAnn South
Secretary