

MINUTES  
**HOUSE EDUCATION COMMITTEE**

- DATE:** Tuesday, March 13, 2012
- TIME:** 8:30 A.M.
- PLACE:** Room EW41
- MEMBERS:** Chairman Nonini, Vice Chairman Shirley, Representative(s) Trail, Block (Block), Nielsen, Chadderdon, Shepherd, Wills, Marriott, Thayn, Hartgen, Bateman, Boyle, DeMordaunt, Nessel, Pence, Chew, Cronin
- ABSENT/  
EXCUSED:** Representative Wills
- GUESTS:** Senator Goedde; Senator Brackett; Phil Homer and Rob Winslow, Idaho Association of School Administrators (IASA); Gary Sayler, Military Division; Tyler Mallard, Office of the Governor; Jess Harrison, Idaho School Boards Association (ISBA); David Hahn, Division of Financial Management (DFM); Max Greenlee, Risch Pisca; Suzanne Budge, SBS Associates; Marilyn Whitney, State Board of Education (SBE)
- Chairman Nonini** called the meeting to order at 8:30 a.m.
- MOTION:** **Rep. Chew** made a motion to approve the minutes of March 12, 2012. **Motion carried by voice vote.**
- SCR 124:** **Senator Goedde** presented **SCR 124**, which recognizes the achievements of the Idaho Digital Learning Academy (IDLA). He referred to the IDLA as "an institution that has worked well for our state."
- MOTION:** **Rep. Shirley** made a motion to send **SCR 124** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Shirley** will sponsor the bill on the floor.
- RS 21426C2:** **Senator Brackett** presented **RS 21426C2**. He stated that this proposed legislation would amend Idaho Code 46-805, which establishes the National Guard Youth Challenge Program. It would establish the Program as an alternative secondary school. He said that it is important to note that the school would be located in Pierce, Idaho, in Clearwater County. With a population of just over 600, the city would receive the benefit of approximately fifty-four (54) new full-time positions, with an annual payroll of \$3.1 million. Employees and students would also use local goods and services, which would further help the community. There is an emergency clause that would allow hiring to begin before the end of FY 2012.
- In response to questions, **Senator Brackett** stated that Superintendent Luna is supportive. All potential students would come from Idaho's schools. Full alternative school funding would not come in until the end of FY 2013. No general fund monies are being requested. The school would have room for 150 students per semester. Twenty-seven (27) other states have a similar school program. Existing legislation states that if there is not adequate funding, the program shall be discontinued. This program addresses a need that is not currently being met. The format of the school is based on military discipline.
- MOTION:** **Rep. Shepherd** made a motion to introduce **RS 21426C2** and send it directly to the Second Reading Calendar.
- In response to additional questions, **Senator Brackett** stated that the Veterans Services Fund has existed for years. This year at least \$110,000 was taken from the Fund for the Suicide Prevention Hotline. Veterans would receive hiring preference at the proposed school.

**General Gary Saylor**, Military Division, responded to a question, stating that veterans would fill approximately thirty positions at the proposed school.

**David Hahn**, Division of Financial Management (DFM), stated that the balance currently in the Veterans Services Fund is not currently needed for ongoing veteran expenses. There is an existing nexus.

**Representative Nielsen** stated that he **supports** the motion, as he believes that at-risk youth need additional discipline.

**Senator Brackett** responded to additional questions. He stated that there is an existing building. It is part of the Orofino School District and would require some renovation. There is a sunset clause to ensure that the legislature would be able to evaluate the school's effectiveness.

**Representative Boyle** referenced the minutes from the March 14, 2011 meeting of the House Education Committee, during which many of the committee's current questions were answered. She recommended that the committee view those minutes online. She stated that she **supports** the motion.

**General Saylor** responded to questions, stating that this program would create fifty-four (54) jobs, with at least half of those positions being filled by veterans. Employees would be paid above the town's average. There is no housing allowance for staff members.

**VOTE ON MOTION:**

**Chairman Nonini** called for a vote on the motion to introduce **RS 21426C2** and send it directly to the Second Reading Calendar. **Motion carried by voice vote.** **Rep. Roberts** will sponsor the bill on the floor.

**RS 21459:**

**Rep. DeMordaunt** presented **RS 21459**, which would allow charter schools to participate in the State's Bond Levy Equalization program. The State of Idaho has provided a mechanism for school districts to pay for the construction, renovation and maintenance of school facilities. Districts are able to ask voters to approve bond levies, plant facility levies or supplemental levies, all of which may be used for school facility costs. The State also provides school districts with a sliding scale of support to assist in the repayment of any bonds approved by a school district's voters, through the Bond Levy Equalization program. Charter schools are provided with no mechanism to raise money for school facility costs, and when charter schools do issue bonds or take out loans to pay for school facilities, the State provides no support to assist in the repayment of these bonds and loans. This legislation would begin to address the lack of support for charter school facility costs by allowing charter schools to participate in the State's Bond Levy Equalization program. Such participation would function in the same way that it does for school districts, with the statewide average being used for the "property value per support unit" portion of the value index formula, since charter schools do not have access to property taxes.

**Rep. DeMordaunt** stated that the State is spending \$17.4 million for public schools through this program. The projected cost to allow charter schools to participate would be approximately \$370,000 in FY 2013, which he said is approximately a two percent (2%) increase.

In response to questions, **Rep. DeMordaunt** stated that currently charter schools are not able to utilize the State's credit rating when securing loans; this causes them to pay a higher rate. There are certain vacant buildings that could be utilized by charter schools.

**MOTION:**

**Rep. Nielsen** made a motion to introduce **RS 21459**. He spoke to his motion, stating that citizens who are happy with their schools would be more willing to support levies.

In response to additional questions, **Rep. DeMordaunt** stated that charter schools act similarly to districts. The same factors used by districts for their bond levies would be used by charter schools. All of the charter schools that have bonded would apply for equalization.

**VOTE ON  
MOTION:**

**Chairman Nonini** called for a vote on the motion to introduce **RS 21459**. **Motion carried by voice vote.**

**ADJOURN:**

There being no further business to come before the committee, the meeting was adjourned at 9:18 a.m.

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Representative Nonini  
Chair

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Mary Tipps  
Secretary