

MINUTES
HOUSE EDUCATION COMMITTEE

DATE: Tuesday, January 15, 2013
TIME: 9:00 A.M.
PLACE: Room EW41
MEMBERS: Chairman DeMordaunt, Vice Chairman Nielsen, Representatives Shepherd, Wills, Bateman, Boyle, Agidius, Clow, Gestrin, Harris, Horman, Mendive, VanOrden, Pence, Kloc, Ward-Engelking
**ABSENT/
EXCUSED:** None
GUESTS: Phil Homer, Rob Winslow, Harry Ott, Idaho Association of School Administrators; Penni Cyr, Idaho Education Association; Tracie Bent, State Board of Education; John Foster and Kate Harris, Kestrel West; Jen Visser, Gallatin; Phil Kelly, Suzanne Bridge, Jessica Hamson, Idaho School Boards Association

Chairman DeMordaunt called the meeting to order at 9:01 a.m.

Paul Headlee, Legislative Services Office, spoke to the committee on the fiscal impact of Propositions 1, 2, and 3. Mr. Headlee explained that Proposition 1 impacts labor laws (**S 1108**), Proposition 2 impacts pay for performance bonuses (**S 1110**), and Proposition 3 impacts Technology and mobile devices (**S 1184**). When asked if county funds were included in the totals, Mr. Headlee clarified these are only state and federal funds, and county funds are not appropriated by the State.

Mr. Headlee, went over the fiscal impact of Propositions 1, 2, and 3 on the FY 2013 Public Schools Appropriation (**S 1410**). He discussed the programs/provisions that were repealed, resulting in savings, and the programs/provisions that were reinstated, resulting in a cost. He reviewed the figures with a breakdown of the programs. These figures show a net amount of \$30.5 million remaining in appropriation.

Mr. Headlee presented the options for FY 2013. Option 1: If no further legislative action is taken, the \$30 million remains in the appropriation until the end-of year reconciliation. If the funds remain after the end-of year reconciliation, then those remaining funds are transferred into the Public Education Stabilization Fund (PESF). If there is a negative variance after the end-of-year reconciliation, the funds would be withdrawn from PESF.

Mr. Headlee explained Option 2: Legislative action is taken to distribute the \$30+ million to school districts in FY 2013 to address funding disbursements repealed by Propositions 1, 2, and 3. This is 2.4% of the districts' General Fund appropriation. Mr. Headlee presented figures of the fiscal impact if certain programs are reinstated. This would result in money being withdrawn from PESF leaving a negative balance.

Mr. Headlee reviewed Option 3: Legislative action is taken to redirect the funds for purposes other than Public Schools. This would require a 2/3 majority vote by JFAC to reopen the FY 2013 Public Schools Budget.

Mr. Headlee reviewed a breakdown of figures by school district. This breakdown does not include Charter schools, as the "Use it or Lose it" law does not apply to them. Mr. Headlee briefly went over some of the figures for FY 2014.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 9:52 a.m.

Representative DeMordaunt
Chair

Lynn Walker
Secretary