

MINUTES  
**SENATE EDUCATION COMMITTEE**

- DATE:** Thursday, February 14, 2013
- TIME:** 3:00 P.M.
- PLACE:** Room WW55
- MEMBERS PRESENT:** Chairman Goedde, Vice Chairman Mortimer, Senators Pearce, Fulcher, Nonini, Thayn, Patrick, Durst and Buckner-Webb
- ABSENT/ EXCUSED:**
- 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.
- CONVENED:** **Chairman Goedde** convened the Education Committee at 3:01 p.m., and a silent roll was taken. He announced a re-order of the agenda, and introduced the first bill to be heard before the committee.
- H 81** **Marilyn Whitney**, State Board of Education, stated that **H 81** removes a sunset clause that allows the public institutions of higher education to continue to have discretion, under the direction of the State Board of Education, for all items not relating to statewide purchasing contracts. This flexibility in purchasing relates to complicated and expensive purchases that the university's purchasing staff is in the best position to execute. During the 2010 session, legislation was passed to eliminate duplication of effort in the state purchasing system that existed between the Division of Purchasing and the university and college purchasing departments. Both efficiency and customer service were improved. The original legislation included a sunset clause to provide for a review to ensure the new processes operated successfully. After review of three years of purchasing practices under this legislation, it is the consensus of all parties involved that the sunset clause should be removed to continue the efficiencies gained for the state. In answer to a question by Senator Goedde, **Ms. Whitney** confirmed that the situation which gave rise to this bill came from Boise State University.
- MOTION:** **Senator Buckner-Webb** made a motion that **H 81** be sent to the Senate floor with a **do pass** recommendation. **Senator Patrick** seconded the motion. The motion carried by **voice vote**. Senator Buckner-Webb will carry the bill to the floor.
- H 84** **Ms. Whitney** stated that the proposed changes outlined in **H 84** amend the statute related to the Public School Facilities Cooperative Funding Program, Section 33-909, Idaho Code, to specify that all projects approved under this statute remain under the purview of the program's panel until finalized. The proposed change, which is shown on page 3 with the addition of Section 8, clarifies that it is the Division of Building Safety that performs the regular permitting, plan review and inspection, and certifies the building for occupancy. Once a certificate of occupancy has been granted, the responsibility for the safety and compliance of the building is returned to local jurisdiction. In 2006, the Idaho legislature established an ongoing, state-funded system for the repair or replacement of unsafe school facilities when school districts are unable to fund the projects themselves. The act created a panel within the Office of the State Board of Education, consisting of the Administrator of the Division of Building Safety, the Administrator of the Division of Public Works and the Executive Director of the State Board of Education to administer and supervise these projects. The change proposed by this legislation applies only to projects

that are approved by this panel and funded by the state. This statute has been used only once to address an unsafe school building in the Plummer-Worley School District. **Senators Nonini** and **Pearce** asked questions concerning the payback period. Ms. Whitney responded that in this case, the original project cost \$10.6 million, and \$1.4 million had been paid back. While the payback period states "not to exceed 20 years", it could conceivably take longer for payback to occur; however the SBE was very careful in reviewing the financial viability of the school district involved. **Vice Chairman Mortimer** questioned the ongoing authority once a certificate of occupancy had been issued. **Ms. Whitney** confirmed that once the SBE had issued a certificate of occupancy, responsibility for ongoing maintenance and safety would be returned to the local district and building authority.

**MOTION:** **Senator Nonini** made a motion to send **H 84** to the Senate floor with a **do pass** recommendation. **Senator Pearce** seconded the motion. The motion carried by **voice vote**. Senator Nonini will carry the bill to the floor.

**H 83** **Ms. Whitney** explained that the proposed changes outlined in **H 83** would allow a proprietary school greater flexibility in establishing a surety bond as required by Section 33-2406, Idaho Code. This bill applies only to "proprietary schools." A proprietary school is a non-degree granting, private, for-profit school. This bill allows alternate financial instruments to be used in place of, or in conjunction with, a surety bond. Such alternate financial instruments must be of equal value to the surety bond requirements. With changes in the insurance market, schools were having difficulty meeting the requirement. This allows schools additional options to manage the insurance requirement in order to guarantee the performance of the school. The bond and any other financial instruments must still cover the revenue from the previous academic year. In addition, the school must submit the alternate instrument to the Executive Director of the State Board of Education who will determine if it provides necessary protection for students. Alternate insurance can include an escrow fund where business can deposit funds. An irrevocable letter of credit would be another alternative. It would need to be a fund not accessible for other purposes. **Senator Durst** asked several clarifying questions concerning bond assurance and liability. **Ms. Whitney** replied that any alternative financial instrument to need to meet the same level of coverage that a surety bond carries. She did not believe liability would be an issue because these financial instruments would be carefully vetted.

**MOTION:** **Vice Chairman Mortimer** made a motion to send **H 83** to the Senate floor with a **do pass** recommendation. **Senator Pearce** seconded the motion. The motion carried by **voice vote**. Vice Chairman Mortimer will carry the bill to the floor.

**GUBERNATORIAL APPOINTMENT HEARING:** **Gayle L. O'Donahue** of Nampa, ID was appointed to the Public Charter School Commission (Commission) to serve a term commencing on May 12, 2012 and expiring May 12, 2016. She has served on the Commission for the past three years and seeks reappointment. **Ms. O'Donahue** provided the committee with a short biography of her personal and professional life. Her application and resume are attached and incorporated by reference.

**Senator Fulcher** suggested to Ms. O'Donahue that a role on the Commission has multiple facets: oversight, enforcement and advocacy. He asked her thoughts on how to balance those roles. **Ms. O'Donahue** replied that in the early stages of the commission, less oversight was required, with more focus on support and advocacy. Over the years, the role has developed into one of educating schools to avoid mistakes, and upholding high standards, while protecting the students and public interest. When reviewing a school, **Ms. O'Donahue** looks at whether the school is upholding its charter; she tries to guide without being heavy handed. If a pattern develops that warrants correction, then that is the time to step in. **Senator Durst** asked how Ms. O'Donahue views the relationship between the local school district and charter schools. She replied that it varies by district, but that generally, collaboration is very good with everyone working to ensure the best for students. Some shared programs, such as sports, have enhanced the cooperative relationship. **Senator Durst** asked a hypothetical question wherein a group of parents wanted to start a charter school and a local district did not want it. He asked her opinion of the role that the arbitrator should play in this situation. **Ms. O'Donahue** replied that in the past, potential charter schools have come before the Commission for assistance primarily because the local school district has lacked the time to address their application. **Senator Pearce** noted that Nampa has been very active in establishing charter schools, and asked if the need has now been filled. **Ms. O'Donahue** replied that waiting lists continue. The local school district has also created some choices, such as engineering programs, which she sees as very positive. Opportunities exist to continue providing choices for students. **Senator Buckner-Webb** asked how to ensure that charter schools do not become "separate but not equal." **Ms. O'Donahue** explained that the lottery system works in favor of equality. The focus lies in continuing to get the word out and to advertise so that all parents have the opportunity to participate. Once accepted, each student will have their needs addressed. **Senator Buckner-Webb** asked what roles, beyond choice, that charter schools play. **Ms. O'Donahue** replied that the star rating system attests to their role in meeting students academically. She also stated that for many students, coming to school is the safest part of their day and the best meal of the day. Educating students to become good citizens plays an important role as well. **Senator Durst** asked Ms. O'Donahue's view of funding equity. She replied that while charter schools are grateful to be in the public school structure and receive funding, she does feel validity in their request for a better means of funding for facilities in order to keep the schools open and viable. **Senator Durst** asked whether all members of the Commission should be professed advocates of charter schools or whether different opinions would be valuable. **Ms. O'Donahue** replied that those who serve should have understanding and appreciation of what is best for students.

**GUBERNATORIAL  
APPOINTMENT  
HEARING:**

**Wanda Chillingworth Quinn** of Coeur d'Alene, ID was appointed to the Public Charter School Commission (Commission) to serve a term commencing on May 12, 2012 and expiring May 12, 2016. She has served on the Commission for the past year and seeks reappointment. Ms. Quinn provided the committee with a short biography of her personal and professional life. Her application and resume are attached and incorporated by reference.

**Senator Fulcher** asked Ms. Quinn whether it was a failure of the system if a school fails, or was it a sign that the system was working properly. **Ms. Quinn** responded that in her experience in working on non-profit boards, a shared conviction is not enough to overcome lack of business and financial experience within the board. **Senator Nonini** asked why she sought appointment to the Commission last year. She replied that she enjoys policy-making and has embraced the idea of choice. She has experience in California and feels qualified to use that experience in Idaho. She agreed that facilities funding is an issue and hopes it can be supported with legislation. She fully supports the charter school concept. **Senator Durst** asked what Ms. Quinn thought about the original role of charter schools to be the incubators of ideas to be exported to the public school system. He said charter schools now appear to have created another system. **Ms. Quinn** responded that parents have the opportunity to move their child between charter and public schools, and often do for various reasons. Charter schools offer a good opportunity for research and development, and offer parents a choice.

**GUBERNATORIAL  
APPOINTMENT  
HEARING:**

**Brian Scigliano** of Boise, ID was appointed to the Public Charter School Commission (Commission) to serve a term commencing on September 17, 2012 and expiring May 12, 2016. He has served on the Commission as commissioner at large for the past four months and seeks reappointment. **Mr. Scigliano** provided the committee with a short biography of his personal and professional life. His application and resume are attached and incorporated by reference.

**Senator Thayn** asked Mr. Scigliano for his vision of charter schools in the next five to ten years. He replied that he believed that charter schools would expand, but that quality must continue. The proposed legislation is beneficial for the charter schools. Noting that Mr. Scigliano has seven children, **Senator Pearce** asked if any of his children had attended charter schools. **Mr. Scigliano** replied that his children had not, but that he is also the father of a two-year old child. Having grown up in a family of educators, **Mr. Scigliano** said the subject of choice was always an active topic, and he wants choice for his young child. **Senator Durst** noted that Mr. Scigliano lives in Boise, and stated his strong need to protect the Boise School District. **Mr. Scigliano** replied that the attitude appeared positive and that charter schools added a choice in areas that public schools could not. **Senator Nonini** noted that Mr. Scigliano was the newest member of the Commission, but that his first two votes were to deny two charter school petitions. **Senator Nonini** asked why he voted to deny them. **Mr. Scigliano** answered that he had been uncomfortable with the financial consultant represented in those petitions, and had doubt and reservation of the viability of the initial petition. **Senator Nonini** asked if Mr. Scigliano saw himself has an advocate, a regulator or an adversary. **Mr. Scigliano** said that his position was as an advocate and a regulator.

**Chairman Goedde** thanked the candidates for their appearance before the committee and advised that the committee would vote on their appointments at a future meeting.

**MOTION:** **Senator Fulcher** made a motion to adopt the Minutes of January 30, 2013. **Vice Chairman Mortimer** seconded the motion. The motion carried by **voice vote**.

**MOTION:** **Senator Pearce** made a motion to adopt the Minutes of January 22, 2013. **Vice Chairman Mortimer** seconded the motion. The motion carried by **voice vote**.

**MOTION:** **Senator Nonini** made a motion to adopt the Minutes of February 1, 2013 "Listening Session." **Senator Fulcher** seconded the motion. The motion carried by **voice vote**.

**MOTION:**

**Vice Chairman Mortimer** made a motion to adopt the Minutes of the February 6, 2013 "Listening Session." **Senator Fulcher** seconded the motion. The motion carried by **voice vote**.

**Chairman Goedde** announced that the committee's page, Taylor Davis, had completed her appointment with the Senate and invited Taylor to say a few words. **Ms. Davis** thanked the committee for the opportunity, and added that she "had a blast" and learned a lot. **Chairman Goedde** presented her with letters of appreciation from the committee, a letter of recommendation, and a watch bearing the Idaho State Senate seal. **Chairman Goedde** then introduced Abigail Sweet, from Nampa, ID who will serve the Senate in its second half of the session. **Ms. Sweet** stated that she was home schooled, and that her sister had also been a Page. She was looking forward to her time in the Senate.

**ADJOURNED:**

Having no further business before the committee, **Vice Chairman Mortimer** adjourned the meeting at 4:16 p.m.

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Senator Goedde  
Chairman

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Elaine Leedy  
Secretary