

MINUTES
HOUSE EDUCATION COMMITTEE

DATE: Tuesday, February 26, 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: Bert Marley and Robin Nettinga, Idaho Education Association; Harold Ott, Idaho Rural Schools Association; Tamara Baysinger, Public Charter Schools Commission (PCSC); Karen Echeverria and Jessica Harrison, Idaho School Boards Association; Don Keller and Ken Burgess, Idaho Charter Schools Network (ICSN); Jason Hancock and Luci Willits, Idaho State Department of Education (ISDE); Rob Winslow, Idaho Association of School Administrators; Marilyn Whitney and Tracie Bent, ISDE; Kelly Trudeau, Compass Charter School; Teresa England, The Village Charter School; Dennis Stevenson, Rules Coordinator; Emma Ruemhildt, Idahoans for Choice in Education; Steve Berch, citizen

Chairman DeMordaunt called the meeting to order at 9:03 a.m.

MOTION: **Rep. Kloc** made a motion to approve the minutes of February 18, 2013. **Motion carried by voice vote.**

RS 22102C1: **Jessica Harrison**, Policy and Government Affairs Director, Idaho School Boards Association, presented **RS 22102C1** to the committee. She said the proposed legislation includes the governance and oversight components from the recommendations made by a group of stakeholders that included: the Idaho School Boards Association, the Idaho Charter School Network, the Public Charter School Commission, the Idaho Association of School Administrators, the Idaho State Board of Education and the Idaho Charter School Families Coalition. She said the stakeholders met to examine Idaho's charter school laws, for a period of eight months, from June 2012 through February 2013. She said the proposed legislation is considered the companion piece to the charter facilities funding legislation known as **H 206**. She summarized the recommendations from the stakeholder group contained in **RS 22102C1**. (See attached.)

Responding to questions from the committee, **Ms. Harrison** stated 501(c)(3) organizations can be colleges, universities and private authorizers such as the Albertson's Foundation. They can be entities separate from the school district and they can be public or private, but nonsectarian. She noted the policies described in the proposed legislation would give more opportunity for opening charter schools.

Jason Hancock, Deputy Chief of Staff, ISDE, was called upon to answer questions from the committee. He said the 501(c)(3) organizations are covered in a new section of Idaho Code describing everything required to be an authorizer of an Idaho charter school. He noted the guidelines for the organization were taken from the State of Minnesota, a state with a longer history of charter schools. He said Idaho's governance and oversight components will be a "tightened up" version of Minnesota's.

MOTION: **Rep. Wills** made a motion to introduce **RS 22102C1**. **Motion carried by voice vote.**

H 206:

Jason Hancock, Deputy Chief of Staff, ISDE, explained **H 206** to the committee. He said the bill contained changes to the original charter school law which reflected changes learned from the past nine years of charter school management and oversight. He described **H 206** as the companion bill to **RS 22102C1**. It originated from findings and decisions made by the same stakeholders. He gave the committee members a chart entitled: Public Charter School Facilities Quality Funding. (See attached.) Mr. Hancock indicated the formulas and data from the chart explained the percentage of funding being requested for facilities funding and authorizers fees for charter schools.

Responding to questions from the committee, **Mr. Hancock** said a situation could exist when a traditional public school district levy failed, but charter schools still received compensation from that district. He noted that the State, in the case of an unsafe school building, can impose a property tax without a levy or the vote of the people. He also said the State currently distributes \$17 million per year to help pay for schools in desperate situations. He added, the money is a direct appropriation from the public school budget. He stated, anytime a statute dictates a new source of money, the Joint Finance and Appropriations Committee (JFAC) shows a Fund Shift. He informed the committee that bills with a fiscal impact sent forth from the House as law, must be funded through JFAC.

Don Keller, ICSN told the committee he was the superintendent at Sage International Charter School where they will have 700 students. He said the charter school started in 2010. For the next school year, 620 students have applied for 45 openings. He said their facilities issues are working with bonding agencies and having no secure funding stream. He noted the "school house" is the most important part of the charter school community.

Teresa England, Village Charter School, stated her charter school focuses on leadership. They started with a one year federal grant. They bought three portables for \$100,000 and are still having to send middle school students to a shared space for part of their activities. She said the staff is dedicated and willing to make sacrifices. She added there are 200 students on next year's waiting list for 20 openings. She indicated some charter schools fail because they use operating funds for rent.

Ken Burgess, ICSN reported there are 43 charter schools operating in Idaho with over 18,000 students: seven virtual schools, 36 "brick and mortar" schools. Although northern and eastern Idaho have a few, most reside in southwestern and south central Idaho. He said 10 charter schools own facilities and 24 lease them. A report from the Idaho Department of Education indicates the average annual per pupil funding for FY 09 was \$4,751; a report from an Analysis of Charter School Facility Landscape in Idaho, September 2012, states the average per pupil charters pay is \$549 for facilities from their ADA state funding. Mr. Burgess reported the average amount per pupil school districts earn is \$569, from bond levies and plant facility levies. He concluded facility funding is the single biggest challenge to charter school sustainability.

MOTION:

Rep. Bateman made a motion to send **H 206** to the floor with a **DO PASS** recommendation.

Tamara Baysinger, PCSC, Director, supports **H 206**. **Kelly Trudeau**, Compass Charter School, said her school had to double their enrollment to pay for their bond. **Rob Winslow**, Director, Idaho School Administrators Association, said there were superintendents involved in the committee work who support the legislation.

Robin Nettinga, IEA, testified Idaho Education Association supports the concept of charter schools and helped write the charter school law. However, IEA opposes **H 206**. She said charter schools know when they embark, that there will be no state funds for facilities.

In response to a question from the committee, **Ms. Nettinga** said charter schools do not have to abide by the "use it or lose it" policy.

Steven Berch said before money is siphoned off to use for charter schools, lawmakers should take care of the 95 percent of traditional public school students. He said with choice, comes responsibility to pay for that choice.

VOTE ON MOTION:

Chairman DeMordaunt called for a vote on the motion to send **H 206** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Reps. Pence, Kloc** and **Ward-Engelking** requested to be recorded as voting **NAY.** **Rep. Clow** will sponsor the bill on the floor.

MOTION:

Rep Bateman presented his subcommittee report on Administrative Rules.

Rep. Ward-Engelking made a motion to approve the subcommittee report. **Motion carried by voice vote.**

MOTION:

Rep. Shepherd presented his subcommittee report on Administrative Rules.

Rep. Gestrin made a motion to approve the subcommittee report. **Motion carried by voice vote.**

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 10:54 a.m.

Representative DeMordaunt
Chair

Jean Vance
Secretary