

MINUTES  
**HOUSE EDUCATION COMMITTEE**

- DATE:** Thursday, February 28, 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:** Mark Dunham, Risch Pisca; Bert Marley and Penni Cyr, Idaho Education Association; Alan Millar, Ken Burgess, and Don Keller, Idaho Charter School Network; Harold Ott, Idaho Rural Schools Association; Mark Gabrylezyk, Supt. Blackfoot School District; Tamara Baysinger, Public Charter School Commission; Jane Whittmeyer, Coaliton of Idaho Charter School Families; Jess Harrison, Idaho School Boards Association; Suzi Budge, SBS Associates; Jason Hancock and Marilyn Whitney, State Department of Education; Rob Winslow, Idaho School Administrators Association
- Chairman DeMordaunt** called the meeting to order at 9:08 a.m.
- MOTION:** **Rep. Kloc** made a motion to approve the minutes from February 21 and February 25, 2013. **Motion carried by voice vote.**
- S 1055:** **Sen. Goedde** presented **S 1055** to the committee. He said the bill reinstates the requirement that school budgets and master labor agreements be posted on a district's website. He added there would be a minor cost to the fiscal budget which would be the cost of placing digital copies on the website.
- In response to a question from the committee, **Sen. Geodde** noted there was no opposition.
- MOTION:** **Rep. Kloc** made a motion to send **S 1055** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Kloc** will sponsor the bill on the floor.
- H 206:** **Jason Hancock**, Deputy Chief of Staff, State Department of Education, was before the committee to answer questions on **H 206**.
- Mark Gabrylezyk**, Superintendent, Blackfoot School District, testified that he was having to ask voters to pass a \$900,000 bond levy. He said his district was in critical circumstances. He told legislators to even the playing field; if traditional public schools had to go to the voters, public charter schools should also have to get the approval of the voters. He said the legislation would siphon money to charter schools, bankrupting his district.
- In response to questions from the committee, **Mr. Gabrylezyk**, said he did not think the Colorado model would work for his district. He said it does not make sense to pass legislation wherein the school board has no say. To another question, he noted his district did receive bond level equalization, a 35 percent subsidy from the state.

**MOTION:**

**Rep. Ward-Engelking** made a motion to send **H 206** to General Orders with an amendment attached. She said she would like to insert on page 6 line 33, the following: "The State Department of Education shall distribute facilities funds to public charter schools who have been in existence for two years and meet state academic standards. These funds will be allocated for each enrolled student in which a majority of the student's instruction is received at a facility that is owned or leased by the public charter school." In support of the amendment, Rep. Ward-Engelking said her original goal in offering an amendment was to ensure all students received facilities money from the state. However, this is not economically feasible at this time. She added this amendment makes this bill stronger as it provides for more transparency and accountability. This is similar to what school districts must provide when taking a facilities bond or levy to the taxpayers. She said charter schools are incubators of innovation, but experiments sometimes fail. Rep. Ward-Engelking said the amendment would protect successful charter schools from negative publicity regarding facility money that might be spent on unsuccessful charter school experiments.

In response to questions from the committee, **Rep. Ward-Engelking**, stated that this would protect the State from funding buildings that are vacant. She said the amendment asks a little more accountability from charter schools.

**Tamara Baysinger**, Public Charter School Commission Director, was called upon to answer questions from the committee. She said in the history of charter schools only two failed in their first year, not because of academics but because of fiscal problems. She related the Albertson's Foundation start-up grant for charter schools is \$250,000, and federal starter grants for charter schools are no longer available.

**Rep. Ward-Engelking**, responding to questions from the committee, said the amendment had priority. She stated she knew of no other amendments to **H 206**.

**SUBSTITUTE MOTION:**

**Rep. Harris** made a substitute motion to retain the original language in **H 206** and send it to the floor with a **DO PASS** recommendation.

**Reps. Clow** and **Nielsen** debated in favor of the substitute motion saying the original form has covered what is necessary and that parents of charter school students pay property taxes, but are getting no return on those taxes.

**Rep. Agidius** debated against the substitute motion saying her concern is about doing no harm. She said she thinks money should follow the child and the idea of waiting two years was a good compromise and a good safeguard against charters failing because they may not have adequate organizational support. **Rep. Pence** also debated against the substitute motion. She said the originators of charter schools look very carefully at how they set up the school. She added the charter schools should have a solid financial foundation before they receive facilities funding. She stated the committee is looking at a fundamental change; building funds are being appropriated to school facilities without the vote of the people. **Rep. Kloc** said the charter school, like a small business, has to have a plan for the first two years, and an optional plan, if it is not surviving the initial start-up.

**Rep. VanOrden** supported the substitute motion stating the bill, and it's companion bill **H 221**, address the standard pieces. She said they provide for public renewals, accountability and performance contracts. She noted everything has been considered in these two bills.

**VOTE ON MOTION:**

**Chairman DeMordaunt** called for a vote on the substitute motion. **Motion carried by voice vote.** **Rep. Clow** will sponsor the bill on the floor. **Reps. Pence** and **Kloc** requested to be recorded as voting **NAY**.

**H 221:**

**Jessica Harrison**, Policy and Government Affairs Director, Idaho School Boards Association, went through **H 221**, page by page, highlighting changes and additions. She testified **H 221** will eliminate notices of defect, and require periodic renewals of all public charter schools: 5 years for existing schools, and 3 years for newly opened schools. She said it creates performance contracts for charter schools that bind both the charter school and its authorizer, and it creates a process that allows school district authorized charter schools to become their own Local Education Agencies. It also allows the State Department of Education to reduce the front-loading of charter school funding if notified by the school's authorizer that the school is fiscally unsound. She related **H 221** will provide for procedures upon dissolution of a charter school; allow colleges and universities and certain approved 501(c)(3) organizations that wish, to become charter school authorizers; and establish standards and oversight for 501(c)(3) organizations, while maintaining the current school district notification and feedback procedures. Ms. Harrison said the bill will reform the qualifications and appointing authorities for members for the Public Charter School Commission, to better align Idaho law with best practices. She said since this is a governance bill, there is no fiscal impact.

Responding to questions from the committee, **Ms. Harrison**, stated the school district can be an authorizer. She said the authorizers do not assume any liabilities in the event that a charter school fails.

**Jason Hancock** was called upon to answer questions from the committee. He said the commission retains oversight, and the funding defrays the cost. If there is money left, it can be sent to the State Department of Education and can help other authorizers.

In response to questions from the committee, **Ms. Harrison** said the Albertson's Foundation is an example of a 501(c)(3). She said that the approval process is provided for on page 6 of the bill. She added the process includes a charter petition and the charter contract. The petition is the umbrella with the mission and vision statements. The contract gets to the specifics; it is stringent, with clear deadlines. She noted that charter schools can be transferred to a new authorizer (page 15). She indicated the bill provides safety nets for all new start-ups, and addresses the distribution of funds if the charter school has its contract terminated, and addresses tax obligations.

**Jason Hancock** said the stakeholders committee reviewed the original, 10 year old document creating charter schools in Idaho. He said there was restructuring to the model of charter. However, the Governor still has three representatives on the oversight board of charter schools.

**Bert Marley**, Idaho Education Association (IEA), testified passage of the bill would be a strategic mistake. He said the IEA opposed the bill. He noted, in deference to the Governor's Task Force, the timing was wrong and the legislation was usurping the responsibilities given the Task Force.

**Allen Millar**, Idaho Charter School Network, testified the process to get the bill, took compromise from all stakeholders. He said many entities made compromises to achieve the larger goal.

**Tamara Baysinger**, Public Charter School Commission Director, testified **H 221** will provide for a beneficial shift. She said, from an authorizer's perspective, the bill would facilitate maintaining high standards, upholding school autonomy, and protecting students and taxpayer interests. She stated the bill will also create a more attractive environment for potential grantors and charter management organizations in Idaho. In response to a question from the committee, Ms. Baysinger said charter schools need to be authorized by an Idaho entity.

Responding to a question from the committee, **Jason Hancock** said the work of the charter school stakeholders pre-dates the Governor's Task Force. He noted their work began in June of 2012, but the Task Force was formed in January 2013. He encouraged the committee to vote in support of the legislation, citing hard work and diligence by the stakeholders.

**Jane Whittmeyer**, Coalition of Idaho Charter School Families, asked lawmakers to support the bill. **Rob Winslow**, Director of the Idaho Association of School Administrators, testified superintendents served on the committee and they were in support of **H 221**.

**MOTION:** **Rep. VanOrden** made a motion to send **H 221** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. VanOrden** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee, the meeting adjourned at 10:47 a.m.

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Representative DeMordaunt  
Chair

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Jean Vance  
Secretary