

MINUTES  
**SENATE EDUCATION COMMITTEE**

- DATE:** Thursday, February 28, 2013
- TIME:** 3:00 P.M.
- PLACE:** Auditorium, WW02
- MEMBERS PRESENT:** Chairman Goedde, Fulcher, Thayn, Patrick and Durst
- ABSENT/ EXCUSED:** Vice Chairman Mortimer, Senators Pearce, Nonini and Buckner-Webb
- 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** called the Education Committee to order at 3:22 p.m., and a silent roll was taken. He acknowledged that several committee members were absent due to long debates in other committees.
- Chairman Goedde** welcomed the Parent Teachers Association (PTA) and the students who were visiting from around the state. He also acknowledged Laurie Boeckel from the PTA and thanked her for her contributions.
- PRESENTATION:** **Laurie Boeckel**, Idaho PTA Legislative Vice President, said that the PTA is the oldest and largest volunteer child advocacy association. Members consist of thousands of Idahoans including parents, teachers, students and other community members, who advocate on important issues including education, safety, and health issues that impact every child. Idaho PTA's legislative priorities this session have included education funding issues, meaningful parental involvement, proper management of Idaho Endowment Lands and safety issues facing children on Idaho's roadways, including other dangers facing them while transiting to and from school. Ms. Boeckel acknowledged and honored over 100 students from across Idaho who came to experience the Capitol and have an opportunity for their voices heard. Ms. Boeckel introduced Kasey Teske, the Robert Stuart Middle School Principal (RSMS) in Twin Falls, ID.
- Kasey Teske** said that he had begun his teaching career at the elementary school level. Now, as Principal at RSMS, he said, "It takes all of us." He and his staff have learned to do more with less, which he attributes to the high expectations and collaboration with teachers and parents to expend more effort on behalf of their real resource: the students. He introduced his students attending the session, indicating that they all were Honor Council students and that they played a student leadership role at RSMS. Next, **Mr. Teske** introduced Brooke Brown, Brittney Hollstrom, and Chyna Moody.

**Ms. Brown** and **Ms. Hollstrom** spoke alternatively, saying that they like their school because the teachers are helpful and provide assignments which are both educational and fun. They like the advanced placement courses because they are placed with peers of the same viewpoint, while other classes can focus on those needing additional help. **Ms. Hollstrom** talked about online learning and the Idaho Digital Learning Academy (IDLA). She found the program helpful, but disliked that too much time lapsed between completing assignments and posting of grades. **Ms. Brown** stated that she is very concerned with class size which has dramatically increased, and worries about the students' continued ability to receive one-on-one assistance from their teachers. She thinks the Common Core State Standards are "great", and said that tutoring at RSMS was very good. **Ms. Moody** stressed the need to motivate Idaho students to seek higher education. **Mr. Teste** agreed that he was excited about CCSS. The key is adequate support and he does not know how much longer they can do more with less. Regarding IDLA, he said that 6th and 7th graders were now taking keyboarding classes. The committee thanked the students for their attendance and for speaking to the committee, complemented them on their ability to express themselves, and applauded their academic and college goals.

**Chairman Goedde** called a short recess, and then introduced Representative Lynn Luker to present **H 177**.

**H 177**

**Representative Luker** explained that **H 177** is a funding bill designed to update a Section 529 college savings program which was instituted in 1996. The program sets up a tax deferred savings plan to encourage parents and grandparents to save for their children's college education. This bill makes changes to remove restrictive language regarding financial institutions, and provides flexibility as markets change. It also reduces the operating expenses of fund management. **Representative Luker** introduced Mr. Perry from the treasurer's office to explain further. **Mr. Perry** said that his office had looked at the strengths and weakness of the program, and how to make the program more affordable. Management fees have been reduced for larger programs. Currently, Idaho pays a management fee based on 75 basis points, whereas surrounding states, such as Utah are 18-25 basis points. Idaho would like its program to grow, but feels stuck because the current code restricts the state from hiring a program manager to operate the plan. The changes in **H 177** would give the board of directors the opportunity to bring operations in-house at a reduced cost, thereby increasing their flexibility and ability to fulfill their fiduciary duty to the families they serve.

**Representative Luker** said that he would like to discuss a proposed amendment to **H 177** which concerns a language correction. The original bill allows the plan manager "to act as a depository", when in fact, the language should read, "to select a depository." **Representative Luker** asked that the committee send **H 177** with its proposed amendment to the 14th Order. **Chairman Goedde** said that the committee could not attach the amendment to the bill, but could have it available. **Senator Durst** noted some opposition in the House of Representatives and asked **Representative Luker** to explain the opposition. **Representative Luker** replied that questions had been raised about procurement authority, because it exempts the board from the procurement process of choosing a financial product, unlike desks or office equipment. Because **Representative Luker** did not have an adequate answer for the question, some House members voted against the bill. **Senator Patrick** reminded Representative Luker that less fees do not necessarily make better management, and hoped that the board would work toward quality, not price. **Representative Luker** replied that the board still had a fiduciary duty to do what was most prudent for investors, such as partnering with another state to share plan managers. **Senator Thayne** clarified that the purpose of **H 177** was so that individual families saving money for college could combine into a larger investment account. **Representative Luker** replied affirmatively, and said

that Vanguard was the provider. **Mr. Perry** added that the language stricken from Section 3 contained restrictions concerning contracts, and that the Attorney General's office had advised against such language.

**MOTION:** **Senator Durst** made a motion to refer **H 177** to the 14th Order for amendment. **Senator Thayn** seconded the motion. The motion carried by **voice vote**. **Chairman Goedde** will carry **H 177** on the floor.

**ADJOURNED:** Having no further business before the committee, **Chairman Goedde** adjourned the meeting at 3:55 p.m.

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Senator Goedde  
Chairman

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Elaine Leedy  
Secretary