

MINUTES
HOUSE EDUCATION COMMITTEE

DATE: Monday, March 04, 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: Nick Miller, Hawley Troxell; Eric Heringer, Seattle Northwest; Rich Bauscher, Superintendent of Middleton School District; Roger Quarles and Lisa Kinnaman, Boise State University

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

MOTION: **Rep. Kloc** made a motion to approve minutes from February 19, 2013. **Motion carried by voice vote.**

H 218: **Rep. Horman** explained the history of **H 218**. She said, Title 33 as it relates to school bonds, needs to be updated and modernized. She testified the legislation will modernize the language and make technical corrections relating to the term of bonds and their repayment schedules. More specifically, it extends the life of a school bond from 20 years to 30 years, thus reducing the individual burden on each taxpayer and aligning more with the life of a facility.

Nick Miller, Hawley Troxell, acts as bond council for school districts. He said he acts independently and gives written statements as to the value of a bond. He agreed with **Rep. Horman** on the need to modernize the language, and in the low-interest market, give districts the opportunity to extend, but not mandate, the extensions.

Eric Heringer, Seattle Northwest, testified that currently the interest rate difference between 20-year and 30-year bonds is an increase from 2.5 percent to 2.8 percent. He said the legislation would provide for longer amortization flexibility.

Rich Bauscher, Superintendent of Middleton School District, stated the change in the legislation is needed by the superintendents. He said adding 10 years is an attractive assistance for conscientious school boards. He noted no opposition from the school districts regarding **H 218**.

Responding to questions from the committee, **Mr. Miller** indicated he was not aware of any historical precedent for the 20 year limit. He said there was a time the market would not accept more than a 20-year bond. He said the change in oversight from a Deputy Attorney General to the Superintendent of Public Instruction was brought about by the burden to re-educate a new Deputy Attorney General every few years. He testified the State Board of Education had no objection to the change.

Responding to a question regarding the percentage of schools using the 20-year limit, **Mr. Heringer** said, 80 percent of Idaho district bonds have 20-year bonds.

Rep. Horman, responding to a question from the committee, stated the maintenance of school buildings is not part of the bonding. She said districts use plant facilities levies for maintenance. She noted districts do not use one-time money for ongoing costs.

MOTION: **Rep. Bateman** made a motion to send **H 218** to the floor with a **DO PASS** recommendation.

In response to a question from the committee regarding the longevity of the appeal for the legislation, **Mr. Heringer** said the legislation was very appealing at this point in time, but in ten years the changes may not be as attractive. Future legislators and school administrators can make those choices and weigh those options. He indicated the market standpoint is what drives the desirability of the 30-year amortization.

VOTE ON MOTION: **Chairman DeMordaunt** called for a vote on the motion to send **H 218** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Horman** will sponsor the bill on the floor.

Roger Quarles, Co-director, Idaho Leads Project, Boise State University, told the committee that the Idaho Leads Project (ILP) is grounded in research. He said data shows that potentially powerful programs are presented to a district, and the program leaders go away expecting the program to be implemented. He said therein lies the fallacy. He related the goal of ILP was to build leadership capacity in Idaho's K-12 schools, ensuring success for all Idaho students in the 21st Century. He indicated the goal may seem lofty, but he has seen it succeed. He indicated the success of the ILP was dedication to building relationships, using effective practices, managing change and committing to systematic continuous improvement.

Mr. Quarles explained the purpose of his program is to teach and to instill leadership capacity. To do so, ILP uses every level of the district, from the student to the school board members, giving everyone a chance to get the vision and lead. He noted participants value the process of working with the 49 districts involved in ILP. He also noted the enthusiasm for making immediate shifts in direction for some schools. Most participating school districts reported improved results in student achievement for many students.

Responding to questions from the committee, **Mr. Quarles** said an interesting anomaly of working with school boards and superintendents is found when we ask the question: "Who is the most responsible for the management of the school districts?" Board members and administrators are mixed on their answers. He indicated leadership has to be taught at every level of the district.

To further questions, **Mr. Quarles**, said the program will not succeed unless all those involved in education get the "feeling." He told the committee, it begins by viewing standardized tests as checkups and not autopsies. He said money is not the answer; leadership, coordination and collaboration is where it starts, across the hall and across the state. Regarding a question referencing busy teachers' desire to be engaged in webinars, Mr. Quarles related successes in schools already participating.

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

Representative DeMordaunt
Chair

Jean Vance
Secretary