

MINUTES  
**HOUSE EDUCATION COMMITTEE**

**DATE:** Monday, March 11, 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:** Phil Homer and Rob Winslow, Idaho Association of School Administrators; Dr. Linda Clark, Joint School District No. 2; Bert Marley, Idaho Education Association (IEA); Karen Echeverria, Idaho School Boards Association; Marilyn Whitney, Tracie Bent and Jason Hancock, Idaho State Department of Education (ISDE)

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

**S 1093:** **Sen. Goedde** presented **S 1093** by recalling that prior to 2010, transportation costs of the school district were reimbursed at 85 percent of what had been spent the prior year. The districts had no incentive to save money. In 2010, a block grant program was instituted whereby districts were reimbursed 40 percent of their actual costs. Under this plan, any funds the districts saved out of the remaining 60 percent would transfer to the district's discretionary fund. He indicated the block grant was originally funded through intent language in a joint resolution before the Joint Finance and Appropriations Committee (JFAC). Through **S 1093**, the State Department of Education seeks to make the block grant permanent in the Idaho Code.

**Jason Hancock**, ISDE, explained how **S 1093** will impact local districts. He said every district would be reduced proportionally. However, the more a district spent on transportation, the more impact they may experience. Districts which have spent more money on transportation may have more opportunity for savings than districts running on a lower budget. Through intent language, this policy has already been in place and has yielded some savings. Last year \$69,973,600 was spent on transportation. If this change is not made, the state will be required by statute to spend \$75 million. If **S 1093** is adopted, the FY14 budget requests transportation funds of \$67 million. The remaining \$7.5M will be transferred into discretionary funds which will be distributed to public schools, based on units. Mr. Hancock stated he supported the legislation because historically, it works.

In response to a question from the committee regarding the transportation costs of virtual charter schools, **Sen. Goedde** said in traditional schools there is the expense of bringing the child to the school. In virtual schools there is the cost of bringing the school to the child. In 2006, that expense was factored into public school transportation expenses. To further questions, Sen. Goedde said the "cap" is to keep districts in line with their peers. He noted the Garden Valley School District is considered a "hardship route" and still has exemption status.

**MOTION:** **Rep. Nielsen** made a motion to send **S 1093** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Nielsen** will sponsor the bill on the floor.

**H 261:** **Karen Echeverria**, Executive Director, Idaho School Boards Association (ISBA), presented **H 261**. She said the legislation sets out the criteria that a school district can use when considering a reduction in force. The change clarifies that seniority cannot be the only factor used when considering a reduction in force. She noted a one year sunset clause is included. She indicated it was the hope of the ISBA and the IEA to collect sound data over the next year to see what impact, if any, having the ability to use other factors, besides seniority, will have on employment in school districts.

In response to questions from the committee, **Ms. Echeverria** said the language was changed from "shall" to "may" in order to allow local districts autonomy. She stated the sunset clause made the legislation more palatable to the IEA.

**Bert Marley**, Director of Public Policy, IEA, gave a general statement on dialogues and debates circulating after the repeal of Propositions 1,2, and 3. (See attached.) He explained his support for **H 261**. He said, if the IEA had a preference, this legislation would not be seen this year. However, after changes were made to the initial piece of reduction in force legislation, the IEA could support the bill for two reasons: (1) The bill is comprised of language developed by the IEA which is less prescriptive and allows more latitude for local school districts. (2) This piece of legislation imposes a sunset date, assuring the Governor's Task Force time and space to give recommendations.

Responding to questions from the committee, **Mr. Marley** stated thousands of the members of IEA were not happy with the legislation, but in a spirit of cooperation, the leadership made the decision. He said seniority will be part of the equation of reduction in staff with five or six other factors being used by local districts.

**MOTION:** **Rep. Agidius** made a motion to send **H 261** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Agidius** will sponsor the bill on the floor.

**S 1097aa:** **Nick Smith**, Chief Deputy Superintendent, ISDE, said **S 1097aa** is the result of concerns raised by the Meridian and Nampa School Districts. He explained the bill will prevent Idaho School Districts from having to use Idaho taxpayer funds to educate out-of-state students who are placed in Idaho group homes. One concern is that the educating cost typically exceeds the amount sent to the district from the state, thereby taking valuable resources away from serving Idaho students. He indicated the state savings would be minimal, based on average daily attendance-driven funding of \$4,160 per enrolled pupil. However, local school district savings would be much more significant, based on an average expenditure of over \$28,000 per pupil for such students in the state's largest school district.

**Mr. Smith** stated the legislation states when students are assigned to an Idaho group facility from another state, our local school districts will be able to bill the group facility for the full cost of educating the student. It will then be the responsibility of the group facility to pass that cost on to whoever placed the student in the facility. This may include the home state's Department of Health & Welfare, home school district or parents. He said the legislation is broken into parts. One part addresses Special Education students who are on an Individual Education Plan (IEP) and those students who are not on an IEP. The bill language is written so that the local district must provide education to the out-of-state student if they are on an IEP, so Idaho does not run afoul of any federal Special Ed laws (provided the group facility pays for it), but may provide education to a non-IEP, out-of-state student (again, provided the group facility pays for it).

In response to questions from the committee, **Mr. Smith** said Idaho has pacts with other states for foster care. However, education monies do not follow a student out of the state. He noted, unless a student spends time in Idaho and establishes residency prior to his/her admission to a group home, he/she is not considered a resident. He also said many of the students are sent to Idaho from Alaska and the states along the East Coast. In response to a question regarding a student with an IEP, he said the state cannot deny a student with an IEP. He also said students with discipline issues may require one-on-one attendants, which is extremely costly.

To further questions from the committee, **Mr. Smith** said the legislation is not targeted at foster care or "kin-care." However, a parent may ultimately be responsible for the expense of the group home services.

**Dr. Linda Clark**, Superintendent, Joint School District No. 2, testified **in support of S 1097aa**. She said her district has 13 group home facilities. She noted it was an issue of fairness and limited resources. She told the committee, she is a public school advocate, however, the school districts need help from other states on this very complex and very expensive issue.

In response to questions from the committee, **Dr. Clark** said the costs are well calculated for all services rendered, and Idaho taxpayers are paying those costs. She indicated her district's relationship with the group homes was not a problem, their relationships are very amiable. She said when Idaho law changes, the group homes will rewrite the contracts which, in turn, should bring funds into the state to recoup the costs. To another question, Dr. Clark said the group homes vary from small facilities to larger institutions.

**MOTION:**

**Rep. VanOrden** made a motion to send **S 1097aa** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. VanOrden** will sponsor the bill on the floor.

**Mike Rush**, Executive Director, Idaho State Board of Education, gave his annual report to the committee. He explained the Idaho Constitution provides that the State Board of Education's responsibility is the general supervision of the state educational institutions and public school system of the State of Idaho. He said the Board, since education impacts income so directly, has set a goal of 60 percent of Idaho's citizens aged 25-34 will have at least a one year postsecondary credential by 2020. He outlined the Complete College Idaho Program addressing: transforming remediation, strengthening the connection from high school to postsecondary, structuring for success, rewarding progress and completion, and leveraging partnerships. He reported the accomplishments of the Board, the budget, and the special programs. He said data driven decision-making inspired their goal. He noted the Board will continue to work toward bringing the other 40 percent of Idaho's citizens to become more educationally proficient.

In response to a question from the committee, **Mr. Rush** stated, the future of educating Idahoans, is to educate them for jobs that did not exist 10 years ago. He said it is important to anticipate the change, not only in job opportunity, but change in culture.

**ADJOURN:**

There being no further business to come before the committee, the meeting adjourned at 10:20 a.m.

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Representative DeMordaunt  
Chair

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Jean Vance  
Secretary