

MINUTES
SENATE EDUCATION COMMITTEE

DATE: Tuesday, March 26, 2013

TIME: 2:00 P.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairman Goedde, Vice Chairman Mortimer, Senators Pearce, Fulcher, Nonini, Thayn, Patrick, Durst and Buckner-Webb

**ABSENT/
EXCUSED:**

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** convened the Education Committee (Committee) at 3:08 p.m., and a silent roll was taken.

MOTION: **Senator Thayn** made a motion to approve the minutes of March 21, 2013. **Vice Chairman Mortimer** seconded the motion. The motion carried by **voice vote**.

MOTION: **Senator Pearce** made a motion to approve the minutes of March 19, 2013. **Senator Fulcher** seconded the motion. The motion carried by **voice vote**.

S 1040 **Karen Echeverria**, Executive Director, Idaho School Boards Association (ISBA) explained that the changes to **S 1040** reflect removal of language from the initial version which has been addressed by the legislature in other bills during this session. For example, administrative leave was discussed through H 259 and was no longer a necessary component of **S 1040**. **S 1040** now has subsections under section 33-515, Idaho Code.

Ms. Echeverria detailed the three subsections of **S 1040**: Subsection (a) addresses a July 1st contract issuance date for renewable contract teachers. This date is consistent with all other contractual issuance dates and would be the last date to issue a contract. If a school is able, the vast majority will be issued on an earlier date once they have the contract sums and contract length finalized. Subsection (b) allows a district to issue a letter of intent to a renewable contract teacher for the following school year. Some school districts have used this practice for years. These letters can be issued during May of each school year and provide a level of security to the school's employees, even if contract sum or length is not yet finalized. The letters themselves will not state the specific duration of the contract or the salary and benefits, but it will let the renewable contract teacher know they have a position. At their discretion, the district may issue a similar letter to teachers who are on annual contract.

Subsection (c) is an entirely new subsection. This language contains a "trigger" regarding the reduction of the contract length for renewable contract teachers. The contracts could be reduced for the 2013-2014 school year if the parties negotiate and ratify a reduction. This language would particularly assist the Mackay school district who previously had testified that current law prohibited the district from accepting an offer from its teachers to reduce a contract length for 2013-2014. A second portion of this subsection also contains a "trigger" component. Before a school district can reduce the length of the renewable teacher's contract, they must account for and apply the funds associated with the 1.67 percent, fifth factor. The 1.67 percent, fifth factor, is a proposal in H 325 and would be added to section 33-1004E, Idaho Code. This requires a school district to apply these funds to attempt to save the length of the school year, prior to reduction of the year. It provides a safety net, assuring that the monies associated with H 325 are used for its intended purpose. Finally, this bill adds a sunset clause.

Ms. Echeverria summarized that districts still need these types of tools to manage and control budgets and personnel costs. Some school districts have used reserve funds to retain the proportional number of teachers in their district or have survived the recession with "frozen" salary grids as opposed to reductions. Those reserve funds are now depleted. Even with possible increases in salary apportionment reimbursement, some districts will need to consider reductions in the length of the school year, reductions in salaries and/or staffing reductions. **S 1040** represents a very important tool for those districts.

TESTIMONY: **Paul Stark**, General Counsel, Idaho Education Association (IEA), testified in opposition to **S 1040** stating that it resembled previous legislation from past and current Committee sessions. In answer to questions from the Committee, **Mr. Stark** stated that under the law, a person or group could waive provisions of a contract "by mutual agreement," and felt that these decisions should be made on a local level.

MOTION: **Vice Chairman Mortimer** made a motion to send **S 1040** to the 14th Order for amendment. **Senator Patrick** seconded the motion. In discussion, **Senator Durst** expressed concern at creating a separate mechanism in legislation when a local solution could be found. **Senator Patrick** said that with the failure of S 1148, the only option for schools in financial crisis was to close or eliminate teachers; this bill provides an option. **Vice Chairman Mortimer** said that if choosing between the elected school board or teachers to make a decision, he would stand with the elected officials. The motion carried by **voice vote**. **Senator Durst** voted **nay**.

H 314 **Bruce Newcomb**, Boise State University, presented the "demise of 314." He stated that **H 314** had come through the House with no adverse debate, and all the colleges and universities were on board. Then through some misinformation in the press, and an attorney general's opinion letter, the agreement collapsed. After a lengthy debate, the parties agreed to work together to create a new bill for next year which would be built on collaboration and consensus. **Mr. Newcomb** requested that **H 314** be held in committee.

UNANIMOUS CONSENT: Seeing no objection, **Chairman Goedde** stated that **H314** would be held in committee.

PASSED THE GAVEL: **Chairman Goedde** passed the gavel to **Vice Chairman Mortimer**, who called on the Chairman to present the next bill.

H 325

Chairman Goedde presented **H 325** which addresses the school districts' reduction in certificated instructional positions and/or the number of contract days during the fiscal years 2010-2012. These reductions were caused by cuts in state funding for salary-based apportionment. **H 325** directs that the additional 1.67 percent in salary-based apportionment funds being restored to school districts shall be used in fiscal year 2014 to undo those positions and contract day reductions first, prior to using these funds for any other purpose.

Members of the Committee asked several clarifying questions. **Chairman Goedde** explained that the purpose of this legislation was to ensure that the 1.67 percent in salary-based apportionment going to the districts would be used to restore 2011 level class sizes, number of school days and contracts. The decision of some districts to impose a four-day week rather than a five-day week would not be impacted, since the school year is based on hours of instruction, not days. However, if the decision to move to a four-day week had cut contract hours or teacher salaries, then those cuts would need to be restored before the 1.67 percent could be used for anything else. In instances wherein a district is paying teachers above the salary grid, then the 1.67 percent could theoretically be used in another way. However, if **H 325** does not pass, then the 1.67 percent going to the districts could be "up for grabs."

Jason Hancock, State Department of Education (SDE), further explained that by requiring the use of funds in a precise manner, the 1.67 percent would allow a reduction in staff only in the case of a reduction in number of students. He further advised the Committee that at the end of each legislative session, the SDE travels throughout the state and meets with school boards, educators and citizens to explain why and how several funding elements work.

TESTIMONY:

Robin Nettinga, IEA, testified in opposition to **H 325**, stating that the decision for use of funds should be made at the local level, not by the legislature. She also stated that since the 1.67 percent was taken from salary-based apportionment, that is where it should be returned.

Rob Winslow, Idaho Association of School Administrators (IASA), stated that his association's response to **H 325** was mixed. Some felt it was easy to comply with options of adding days or increasing staff, while others were looking at other shortfalls in their budgets.

Chairman Goedde reminded the Committee that **H 325** only applies to FY 2014. He asked that they consider the children who would have smaller class sizes and longer days so they can get a better education. **Senator Durst** felt that **H 325** was not the proper remedy.

MOTION:

Senator Durst made a motion to hold **H 325** in committee. **Senator Nonini** seconded the motion. The motion carried by **voice vote**.

H 65

Vice Chairman Mortimer stated that it was the decision of the chair to hold **H 65** because it contained significant issues that needed more time than was available.

**PASSED THE
GAVEL:**

Vice Chairman Mortimer returned the gavel to **Chairman Goedde**.

RECOGNITION: **Chairman Goedde** called Senate Page Abigail Sweet to the podium and thanked her for her service to the Committee. The Chairman presented her with a gift and letters of appreciation and recommendation. **Ms. Sweet** told the Committee that she had enjoyed her time and learned a lot, and she thanked the Committee for the opportunity.

ADJOURNED: Having no further business before the Committee, **Chairman Goedde** adjourned the meeting at 3:16 p.m.

Senator Goedde
Chairman

Elaine Leedy
Secretary