

MINUTES
HOUSE EDUCATION COMMITTEE

DATE: Wednesday, February 19, 2014

TIME: 8:30 A.M.

PLACE: Room EW41

MEMBERS: Chairman DeMordaunt, Vice Chairman Nielsen, Representative(s) Shepherd, Wills, Bateman, Boyle, Clow, Gestrin, Harris, Horman, Mendive, VanOrden, McDonald, Pence, Kloc, Rubel

**ABSENT/
EXCUSED:** None

GUESTS: Mary Barinaga, M.D., WWAMI; Becky Shroeder, Idaho Lottery; Benjamin Jones, Student, University of Utah, WWAMI; Dieuwkiet Dizney Spencer, IDMW; Mary Sheridan, State Office of Rural Health; Bridgette Baker, Rural Family Physician; Susie Pouliot, Idaho Medical Association; Kurt Olaveson, Kendra Coonse, Devin Laky, and Derek Hill, Students, WWAMI; Marilyn Whitney, SBOE; Jeff Rosenthal, D.V.M; Steve Millard, and Tom Lawson, Idaho Hospital Association; Joe Stegner, University of Idaho; Patrice Burgess, University of Idaho, WWAMI.

Chairman DeMordaunt called the meeting to order at 8:31 a.m.

RS 22930: **Jason Hancock**, Deputy Chief of Staff, State Department of Education (SDE), presented **RS 22930**. He explained the purpose of the legislation is to improve student safety by addressing the allocation of the public schools' share of Cigarette Tax revenues and the recommendations of the Safe Schools Task Force. On the issue of the distribution of the public schools' share of Cigarette Tax revenues, the legislation codifies the longtime practice of distributing \$200,000 to the Idaho State Police to defray toxicology lab costs, and approximately \$80,000 to the Commission on Hispanic Affairs for substance abuse prevention efforts. These distributions will be made directly to these agencies, rather than being passed through the public schools budget first, which adds no value or transparency to the distribution. The legislation also increases school district flexibility in the use of the balance of these funds by broadening its uses to include the development and implementation of school safety improvements, in addition to the traditional substance abuse prevention uses. As recommended by the task force, it also requires school trustees to have a school safety plan for each school, and to meet annually with first responders to update the plans.

A discussion was held concerning the Commission on Hispanic Affairs' portion of the Cigarette Tax, the use of the \$200,000 for toxicology labs and the housing of substance abuse monies. **Matt McCarter**, SDE, was called upon to answer a question about school safety monies. He said the monies are used to secure the biggest vulnerability in a particular school. In response to a question regarding the enshrining in statute, items that should possibly not be enshrined, **Mr. Hancock** said anyone can run legislation at anytime to de-enshrine items from the statute.

MOTION: **Rep. Nielsen** made a motion to introduce **RS 22930**. **Motion carried by voice vote.**

H 478: **Jason Hancock** presented **H 478** which allows the state to continue to distribute funding from the Idaho State Lottery proceeds. These funds help defray the cost of the public schools' Bond Levy Equalization program. He said in 2009, the Legislature provided that one-fourth of all future increases in State Lottery distributions go to the Bond Levy Equalization program. He explained the 2009 legislation has a sunset clause that will expire in September 2014, and he stated the current legislation will provide for continuation of the existing law.

MOTION: **Rep. Nielsen** made a motion to send **H 478** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Horman** will sponsor the bill on the floor.

H 500: **Rep. Packer** presented **H 500** to the committee. She explained her journey and experiences in developing **H 500**. She said she fully supported the Professional Studies Program and it's vital role in education opportunities for Idahoans. She said if we secure the financial investments we're making in these programs that we will strengthen the long-term ability to provide them for generations to come. The changes to the existing statute will increase the number of physicians returning to Idaho to serve the under-covered health care needs of the state. In addition, **Rep. Packer** said **H 500** would require the State Board of Education to sign a contract with each WWAMI and WICHE student providing for repayment of moneys paid from public funds unless the student shall actively engage in professional practice in Idaho for a minimum of three years.

Mary Barrinaga, family physician, WWAMI, explained she grew up in a sheep ranching family in Cambridge, Idaho, and is a graduate of the College of Idaho and the Idaho WWAMI program. After completing residency at Family Medicine Residency of Idaho (FMRI) in 1998, she spent the next 12 years practicing rural family medicine on the Coeur d' Alene Indian Reservation in Plummer. In 2010, she returned to Boise as faculty for FMRI and also works as Assistant Dean for Regional Affairs for the University of Washington School of Medicine. She spoke **in opposition** to **H 500** stating the unintended consequences will be fewer doctors in rural Idaho. She explained the percentage of Idaho medical students returning to Idaho is high compared to the national average. He also indicated the average debt load for a graduating medical student is \$156,000.

A discussion was held concerning the WWAMI program, medical school applicants versus openings, Idaho students recidivism and the loan repayment fallout.

Mary Sheridian, Program Manager, State Office of Rural Health & Primary Care. She said her office is responsible for the Rural Physician Incentive Program (RPIP), data collection and submission of federal applications for shortage area designations, and providing assistance for National Health Service Corps (NHSC), the federal loan repayment program. She quoted statistics on physicians indebtedness and the state's fiscal responsibility. (See Attached.) She indicated **H 500** will create a service obligation for physicians who choose to practice in a medically under-served area in Idaho in exchange for their state support. She said it will prevent physicians from receiving loan repayment from RPIP and NHSC.

In response to questions from the committee, **Ms. Sheridian**, said the number one reason physicians leave rural Idaho is spousal dissatisfaction. She said the debt repayment issue also drives doctors to larger populations.

Kurt Olaveson, Benjamin Jones, Kendra Coonse, Devin Laky, and Derek Hill, WWAMI students, testified **in opposition** to **H 500**. They explained the selection committee for the WWAMI program encourages Idaho connections in choosing candidates. They said the mandatory payment will increase their debt and will encourage Idaho medical students to leave the West to find less expensive medical schools. They also indicated the appearance of the repayment obligation to WWAMI would appear on their credit score which would disallow application to other loan programs.

Bridgette Baker, rural family physician; **Susie Pouliot**, Idaho Medical Association; **Jeff Rosenthal**, DVM, spoke **in opposition** to **H 500**. They said the rural repayment program would go away.

Marilyn Whitney, Chief Communications and Legislative Officer, SBOE, said the board was not involved in creating the bill and additional resources for management would require a minimum of \$35,000 to monitor the loan payback. She said she **opposed H 500**.

Steve Millard, CEO, Idaho Hospital Association; **Joe Stegner**, University of Idaho (U of I); and **Patrice Burgess**, U of I and WWAMI, testified **in opposition** to **H 500**. They said Idaho does not have a medical school, and the in-state tuition and forgiveness program established by WWAMI, is going to be hurt by the passage of **H 500**. **Mr. Millard** said the hospitals have also gone into the business of repayment of student loans in order to get quality doctors into hospitals.

In closing, **Rep. Packer** indicated payback requirements are not new. They are used in the private sector, in the military, for economic development, and across a variety of industries for educational purposes and/or incentives to bring professionals to under-served areas. She said since it is the use of public funds, there is a great responsibility for the lawmakers to be fiscally efficient and effective with these programs. She asked for support of **H 500**.

In response to a question from the committee, **Rep. Packer** said the State of Idaho provides up to \$140,000 in forgiveness to medical students of the WWAMI program.

MOTION:

Rep. Harris made a motion to send **H 500** to the floor with a **DO PASS** recommendation.

Reps. Boyle, Clow, Gestin, and Pence spoke **in opposition** to **H 500**. They said the WWAMI program is working and should not be changed.

Rep. VanOrden spoke **in favor** of **H 500**. She said the State Board of Education can work with the WWAMI program and determine the outcome on a case-by-case basis. **Rep. Rubel** said the WWAMI program gives discriminatory advantage to the medical program with no obligation for repayment.

VOTE ON MOTION:

Chairman DeMordaunt called for a vote on the motion to send **H 500** to the floor with a **DO PASS** recommendation. **Motion failed by voice vote.**

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 10:44 a.m.

Representative DeMordaunt
Chair

Jean Vance
Secretary