

MINUTES
SENATE EDUCATION COMMITTEE

- DATE:** Tuesday, February 17, 2015
- TIME:** 3:00 P.M.
- PLACE:** Room WW55
- MEMBERS PRESENT:** Chairman Mortimer, Vice Chairman Thayn, Senators Keough, Nonini, Patrick, Souza, Den Hartog, Buckner-Webb and Ward-Engelking
- ABSENT/ EXCUSED:** None
- 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 Mortimer** convened the meeting of the Senate Education Committee (Committee) at 3:02 p.m. and welcomed Ms. Ann Joslin, State Librarian and Director of the Idaho Commission for Libraries (Library) for her presentation.
- PRESENTATION** **Ms. Joslin** introduced Staci Shaw, Julie Armstrong and Stephanie Bailey-White, Read to Me Early (RTM) Literacy Coordinators and presented an overview of the Library's activities for the past year (see attachment 1).
- Ms. Joslin** said the Library's mission is to help Idaho's local libraries build the capacity to better serve their clientele. She said the Library provides virtual and in-person development opportunities for library staff, and it develops, pilots and scales library programs to serve all age groups with a wide range of needs.
- Ms. Joslin** said the Library continues to leverage national and state initiatives that support its mission and require only moderate resources. She described the new Idaho After-school network, which connects all of Idaho's after-school programs.
- Ms. Joslin** said the RTM program is meant to increase access to books for young children who are unlikely to have books at home. She described RTM mini-grants and said all funds from those grants are spent on books.
- Chairman Mortimer** welcomed Staci Shaw for her presentation on Early Literacy.
- PRESENTATION:** **Staci Shaw**, Project Coordinator for the Read to Me (RTM) Early Literacy Program illustrated the positive impact of early literary experiences on the summer slide on growth. (see attachment 2). She illustrated the achievement gap between middle- and lower- income children.
- Ms. Shaw** reviewed the statistics from the State Department of Education and demonstrated with colleagues Julie Armstrong and Stephanie Bailey-White how the learning gap for lower income children occurs.
- Senator Souza** asked if schools that provide year-round education are able to avoid the summer slide loss. **Ms. Shaw** said she did not have that information and referred the Senator to the Campaign for Grade Level Reading website for details.
- Chairman Mortimer** welcomed Terry Ryan for his presentation on Charter School Lending.

PRESENTATION: Mr. Ryan, Idaho Charter School Network, introduced Conrad Freeman, Vectra, and Mark Medema, Building Hope. **Mr. Ryan** summarized current charter school trends in the nation and in Idaho. He said Idaho is experiencing steady growth in charter schools but is declining in the speed at which the needed seats are growing. He said Idaho's charter school enrollment growth in 2013-14 tied Iowa for the lowest growth in the nation and emphasized that Idaho is not providing the capacity to meet the needs.

Conrad Freeman, Vectra Bank, took the podium to discuss charter school operating costs and funding. He said Vectra Bank has originated approximately \$600 million in charter school loans without any credit losses. He said the number one issue is cost control and, in Idaho, costs run about \$14,000 per school year per student.

Mr. Freeman said taxpayer dollars go further with the construction of charter schools versus traditional school facilities, because charter schools employ more efficient construction measures.

Mark Medema, Director, Building Hope, said his organization is the fifth largest school lender in the nation and the only one that focuses solely on charter schools. He said Building Hope has made approximately \$160 million charter school loans over the last decade and leveraged that amount into almost \$1 billion in construction. He discussed the charter school under construction in Pocatello, Idaho and outlined the costs.

Mr. Medema outlined the disparate interest rates charged for construction of charter schools (9 percent) versus the lower rates available to traditional school facilities (3 percent to 4 percent). He described various credit enhancement opportunities, which many states are utilizing. He said a quality charter school can bring down borrowing costs.

Senator Ward-Engelking asked about equal access to funding streams for both charter and traditional schools. **Mr. Medema** said Building Hope would like to see equal access for all public school students, regardless of the type of school.

Chairman Mortimer asked about the difference in interest rates in construction lending between funding enhancement and the free market, which was 9.5 percent for charter schools versus about 2.81 percent for traditional schools.

Senator Ward-Engelking asked Mr. Ryan if he is familiar with endowment assets funds used in Montana. **Mr. Ryan** said he was not but would look into it and report back.

PRESENTATION: Jay Larson, Idaho Technology Council (ITC), took the podium and introduced James Price, Clearwater Analytics; Sherawn Reberry, Idaho Digital Learning Academy (IDLA); and Dan Puga, In Time Tec

Mr. Larson described the Partnership of CODE.org, Idaho Technology Council, and IDLA, which he said is focused on growing the quality and quantity of software professionals in Idaho (see attachment 3). He said Idaho's computer science graduates are in short supply. As an example, he referenced Microsoft, which moved 50 of its software employees back to Washington because of the lack of qualified talent in Idaho.

Mr. James Price, Development Director, Clearwater Analytics, said his company provides accounting and reporting services for investment portfolios to some of the largest corporations and asset managers in the world. He described his early introduction into computer technology. **Mr. Price** discussed his company's efforts to recruit qualified computer science candidates, described his company's summer internship program, and emphasized the lucrative benefits available to computer science graduates.

Ms. Sherawn Reberry, Idaho Digital Academy (IDLA), explained IDLA's partnership with CODE.org, which provides curriculum and training, and ITC, which provides industry partnerships. **Ms. Reberry** said IDLA's statewide partnership with CODE.org. is the first partnership of that kind for CODE.org. She said the training provided by that organization is central in supporting the pipeline for Idaho's students.

Mr. Dan Puga, In Time Tec, described his early introduction to computer technology, which he said led to a promising entrepreneurial career. He said key challenges for local technology companies are access to talent and access to capita. He stressed that a strong pipeline beginning in the earliest grades is crucial.

In summation, **Mr. Larson** said every school in Idaho, K through 12, should have the opportunity to embrace the CODE.org curriculum, which will accelerate Idaho's ability to compete on a national and global stage.

Chairman Mortimer called on the Committee for approval of minutes.

MOTION: **Vice Chairman Thayn** moved to approve the minutes of January 26, 2015. **Senator Ward-Engelking** seconded the motion. The motion passed by **voice vote**.

MOTION: **Senator Patrick** moved to approve the minutes of February 2, 2015. **Vice Chairman Thayn** seconded the motion. The motion passed by **voice vote**.

BUDGET DISCUSSION: **Chairman Mortimer** lead a review and discussion of the Committee's budget priorities prior to his presentation to the Joint Finance-Appropriations Committee (JFAC). He said he supports the Governor's recommendation for a 7.4 percent increase in General Funds from Fiscal Year 2015.

After a thorough discussion, **Chairman Mortimer** summarized the agreed-upon priorities as: (1) salary-based apportionments, (2) discretionary funds, (3) professional development, and (4) information technology. **Senator Patrick** added that career counseling would be valuable. **Vice Chairman Thayn** said advanced opportunities would be one of his priorities.

ADJOURNED: There being no further business, **Chairman Mortimer** adjourned the meeting at 5:05 p.m.

Senator Mortimer
Chair

LeAnn South
Secretary

Jeanne' Clayton
Assistant Secretary