

MINUTES
HOUSE EDUCATION COMMITTEE

- DATE:** Monday, February 15, 2016
- TIME:** 9:00 A.M.
- PLACE:** Room EW41
- MEMBERS:** Chairman DeMordaunt, Vice Chairman VanOrden, Representatives Shepherd, Wills, Boyle, Clow, Gestrin, Harris, Mendive, McDonald, Dixon, Kerby, Pence, Kloc, Rubel
- ABSENT/
EXCUSED:** None
- GUESTS:** Robin Nettinga, Idaho Education Association; Sue Nesbella, Francoise Cleveland, State Department of Education; Blake Youde, State Board of Education; Jess Harrison, Idaho School Boards Association; Phil Homer, Helen Price, Idaho Association of School Administrators; Harold Ott, Idaho Rural School Administrators; Clark Corbin, Educational News; Marilyn Whitney, Governor's Office; Dwight Johnson, Professional-Technical Education
- Chairman DeMordaunt** called the meeting to order at 9:00 a.m.
- H 452:** **Blake Youde**, State Board of Education, spoke to **H 452**. He explained the bill removes the 90-day maximum allowance of sick leave transfer, for employees transferring from one state educational agency to another. Section 67-5302 includes a definition for state educational institution, because it had not been defined. Section 67-533a removes the limitation on the number of days which can be transferred when changing jobs from one state educational agency to another one. In response to a question, Mr. Youde said other state employees are able to transfer sick leave days at the same rate.
- MOTION:** **Rep. Kloc** made a motion to send **H 452** to the floor with a **DO PASS** recommendation.
- Susan Nesbella**, State Department of Education, spoke **in support of H 452**. She said the State Department of Education most often recruits employees for the Department from veteran teachers and administrators, which has been difficult, because they are reluctant to lose their sick leave accumulated from the school district. Because most people use large sick leave balances towards retirement benefits, the liability to the new educational institution should be minimal.
- VOTE ON MOTION:** **Motion carried by voice vote. Rep. Kloc** will sponsor the bill on the floor.
- Paul Headlee**, Budget and Policy Analysis Dept., Legislative Services Office, explained the education budget requests for FY 2016 from the State Department of Education and the Governor's Office, as compared to previous years. The purpose of the legislative budget review, he said, is to compare the Department's requests with the Governor's recommendations. The percentage of the total funds which the Department of Health and Welfare and the Department of Correction are projected to use in FY 2016 has increased from the percentage of total funds they received in 1995; whereas the percentage of total funds which public schools and colleges are allocated has decreased since 1995, he explained.

All state agencies are required to recommend a 1% salary increase, said **Mr. Headlee**, and the Governor has increased that request to 3%. The classified category of staff at schools covers a wide variety of positions, and for every dollar the state contributes for classified wages, the local government contributes .54, which is a higher percentage than other categories.

In the transportation category, the State Department of Education is requesting \$7.5 million, and the Governor's recommendation is for no allocation for this line item, said **Mr. Headlee**. The Department is requesting \$2 million for literacy proficiency children's programs, and \$3 million for literacy proficiency central services. The Governor's recommendation is for \$10.7 million for literacy proficiency children's programs, and no allocation for literacy proficiency central services. The Governor's recommendation for the School for the Deaf and Blind is \$700 more than the Department requested.

In response to questions from the committee, **Mr. Headlee** said the Legislative Services Office believed support units would grow by 120. The actual amount of growth was 43 more than that, for a total in 2016 of 167 units. This explains the difference in the Department's numbers and the Governor's numbers. Also, said **Mr. Headlee**, the Governor is adding additional supporting units to account for averaging the daily attendance differently, and adding 92 units. The Joint Finance and Appropriations Committee (JFAC) budgeted for 167 support units last year and were off by 15, because Idaho is experiencing population growth.

Mr. Headlee explained the General Fund is approximately half of the total budget, and education accounts for 62% of the General Fund. The total spent on education, regardless of the source of funding, is 38% of all the funding. A smaller percentage of federal money is going to education, he explained, as it is going to Health and Welfare and Medicaid. The total budget is \$1.8 billion. Of that, \$268 million is federal funding. The addition of career ladder salaries and benefits as line items in the budget accounts for the reduction in the line items of salary-based apportionment and state-paid employee benefits, said **Mr. Headlee**.

Mr. Headlee said schools say they use much of their discretionary funds for health insurance and to pay utilities. With the cost of health insurance rising for the last nine years, the question has been raised as to whether or not health insurance should be a line item on the budget. This continues to be an issue, as health insurance costs have increased by 9%.

Chairman DeMordaunt asked the committee for their thoughts on how to prioritize the items on the budget, as he is presenting to JFAC the next day.

In response to questions from the committee, **Mr. Headlee** said some items which use to come out of the discretionary funds are now line items, which may relieve some of the pressure on the discretionary funding.

In response to questions from the committee, **Mr. Headlee** said the State Department of Education had requested a 1% salary increase for classified positions, and the Governor recommended a 3% increase.

MOTION:

Rep. Mendive made a motion to change the vote on **H 450** for time certain from Thursday, February 18 to Wednesday, February 17, as one of the speakers is not available on Thursday. **Motion carried by voice vote.**

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 9:58 a.m.

Representative DeMordaunt
Chair

Jenifer Cavaness-Williams
Secretary