

IN THE SENATE

SENATE BILL NO. 1327

BY EDUCATION COMMITTEE

AN ACT

1 RELATING TO PUBLIC SCHOOLS; AMENDING SECTION 33-1002, IDAHO CODE, TO PROVIDE
2 A FUNDING FORMULA FOR FISCAL YEARS 2022 THROUGH 2027, TO PROVIDE FOR A
3 SUBSTITUTE FACTOR IN CERTAIN FORMULAS, TO PROVIDE FOR THE CREATION OF
4 NEW FORMULAS BY THE STATE DEPARTMENT OF EDUCATION UNDER CERTAIN CIR-
5 CUMSTANCES, TO PROVIDE FOR STUDENT ENROLLMENT COUNTS, TO PROVIDE FOR
6 SPECIAL PROGRAM SUPPORT, TO PROVIDE FOR CERTAIN PAYMENTS, AND TO PRO-
7 VIDE THAT CERTAIN LAWS SHALL REMAIN APPLICABLE DURING FISCAL YEARS 2022
8 THROUGH 2027; AMENDING SECTION 33-1026, IDAHO CODE, TO REVISE A DATE;
9 AND AMENDING CHAPTER 10, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW
10 SECTION 33-1029, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING STUDENT
11 SUCCESS INCENTIVE GRANTS.
12

13 Be It Enacted by the Legislature of the State of Idaho:

14 SECTION 1. That Section 33-1002, Idaho Code, be, and the same is hereby
15 amended to read as follows:

16 33-1002. EDUCATIONAL SUPPORT PROGRAM. The educational support pro-
17 gram is calculated as follows:

18 (1) State Educational Support Funds. Add the state appropriation, in-
19 cluding the moneys available in the public school income fund, together with
20 all miscellaneous revenues to determine the total state funds.

21 (2) From the total state funds subtract the following amounts needed
22 for state support of special programs provided by a school district:

23 (a) Pupil tuition-equivalency allowances as provided in section
24 33-1002B, Idaho Code;

25 (b) Transportation support program as provided in section 33-1006,
26 Idaho Code;

27 (c) Feasibility studies allowance as provided in section 33-1007A,
28 Idaho Code;

29 (d) The approved costs for border district allowance, provided in sec-
30 tion 33-1403, Idaho Code, as determined by the state superintendent of
31 public instruction;

32 (e) The approved costs for exceptional child approved contract al-
33 lowance, provided in subsection 2. of section 33-2004, Idaho Code, as
34 determined by the state superintendent of public instruction;

35 (f) Salary-based apportionment calculated as provided in sections
36 33-1004 through 33-1004F, Idaho Code;

37 (g) Unemployment insurance benefit payments according to the provi-
38 sions of section 72-1349A, Idaho Code;

39 (h) For expenditure as provided by the public school technology pro-
40 gram;

41 (i) For employee severance payments as provided in section 33-521,
42 Idaho Code;

1 (j) For distributions to the Idaho digital learning academy as provided
2 in section 33-1020, Idaho Code;

3 (k) For charter school facilities funds and reimbursements paid pur-
4 suant to section 33-5208(5), Idaho Code;

5 (l) For an online course portal as provided for in section 33-1024,
6 Idaho Code;

7 (m) For advanced opportunities as provided for in chapter 46, title 33,
8 Idaho Code;

9 (n) For additional math and science courses for high school students as
10 provided in section 33-1021, Idaho Code;

11 (o) For leadership premiums as provided in section 33-1004J, Idaho
12 Code;

13 (p) For master teacher premiums as provided in section 33-1004I, Idaho
14 Code;

15 (q) For the support of provisions that provide a safe environment con-
16 ductive to student learning and maintain classroom discipline, an allo-
17 cation of three hundred dollars (\$300) per support unit;

18 (r) An amount specified in the appropriation bill for the public
19 schools educational support program for counseling support as provided
20 for in section 33-1212A, Idaho Code, shall be distributed for grades 8
21 through 12 as follows:

22 (i) For school districts and public charter schools with one hun-
23 dred (100) or more students enrolled in grades 8 through 12, a pro
24 rata distribution based on students enrolled in grades 8 through
25 12 or eighteen thousand dollars (\$18,000), whichever is greater;

26 (ii) For school districts and public charter schools with fewer
27 than one hundred (100) students enrolled in grades 8 through 12,
28 one hundred eighty dollars (\$180) per student enrolled in grades
29 8 through 12 or nine thousand dollars (\$9,000), whichever is
30 greater;

31 (s) An amount specified in the public schools educational support pro-
32 gram appropriation bill for literacy intervention pursuant to section
33 33-1616, Idaho Code, the disbursements made to the school districts
34 and public charter schools in the aggregate shall not exceed the total
35 amount appropriated for this purpose and shall be based on the actual
36 costs of such intervention programs. School districts and public char-
37 ter schools shall be reimbursed in full or in pro rata based on the
38 average number of students in kindergarten through grade 3 who score ba-
39 sic or below basic on the fall statewide reading assessment in the prior
40 three (3) years;

41 (t) For mastery-based education as provided for in section 33-1630,
42 Idaho Code;

43 (u) For pay for success contracting as provided in section 33-125B,
44 Idaho Code; and

45 (v) Any additional amounts as required by statute to effect administra-
46 tive adjustments or as specifically required by the provisions of any
47 bill of appropriation;

48 to secure the total educational support distribution funds.

49 (3) Average Daily Attendance. The total state average daily attendance
50 shall be the sum of the average daily attendance of all of the school dis-

1 tricts of the state. The state board of education shall establish rules set-
 2 ting forth the procedure to determine average daily attendance and the time
 3 for, and method of, submission of such report. Average daily attendance cal-
 4 culation shall be carried out to the nearest hundredth. Computation of av-
 5 erage daily attendance shall also be governed by the provisions of section
 6 33-1003A, Idaho Code.

7 (4) Support Units. The total state support units shall be determined
 8 by using the tables set out hereafter called computation of kindergarten
 9 support units, computation of elementary support units, computation of sec-
 10 ondary support units, computation of exceptional education support units,
 11 and computation of alternative school support units. The sum of all of the
 12 total support units of all school districts of the state shall be the total
 13 state support units.

14 COMPUTATION OF KINDERGARTEN SUPPORT UNITS

15	Average Daily		
16	Attendance	Attendance Divisor	Units Allowed
17	41 or more....	40.....	1 or more as computed
18	31 - 40.99 ADA....	-.....	1
19	26 - 30.99 ADA....	-.....	.85
20	21 - 25.99 ADA....	-.....	.75
21	16 - 20.99 ADA....	-.....	.6
22	8 - 15.99 ADA....	-.....	.5
23	1 - 7.99 ADA....	-.....	count as elementary

24 COMPUTATION OF ELEMENTARY SUPPORT UNITS

25	Average Daily		Minimum Units
26	Attendance	Attendance Divisor	Allowed
27	300 or more ADA.....	.....	.. 15
28		..23...grades 4, 5 & 6....	
29		..22...grades 1, 2 & 3....1994-95	
30		..21...grades 1, 2 & 3....1995-96	
31		..20...grades 1, 2 & 3....1996-97	
32		and each year thereafter.	
33	160 to 299.99 ADA...	20.....	8.4
34	110 to 159.99 ADA...	19.....	6.8
35	71.1 to 109.99 ADA...	16.....	4.7
36	51.7 to 71.0 ADA...	15.....	4.0
37	33.6 to 51.6 ADA...	13.....	2.8
38	16.6 to 33.5 ADA...	12.....	1.4
39	1.0 to 16.5 ADA...	n/a.....	1.0

40 COMPUTATION OF SECONDARY SUPPORT UNITS

1	Average Daily		Minimum Units
2	Attendance	Attendance Divisor	Allowed
3	750 or more....	18.5.....	47
4	400 - 749.99 ADA....	16.....	28
5	300 - 399.99 ADA....	14.5.....	22
6	200 - 299.99 ADA....	13.5.....	17
7	100 - 199.99 ADA....	12.....	9
8	99.99 or fewer	Units allowed as follows:	
9	Grades 7-12	.....	8
10	Grades 9-12	.....	6
11	Grades 7- 9	.....	1 per 14 ADA
12	Grades 7- 8	.....	1 per 16 ADA

13 COMPUTATION OF EXCEPTIONAL EDUCATION SUPPORT UNITS

14	Average Daily		Minimum Units
15	Attendance	Attendance Divisor	Allowed
16	14 or more....	14.5.....	1 or more as computed
17			
18	12 - 13.99....	-.....	1
19	8 - 11.99....	-.....	.75
20	4 - 7.99....	-.....	.5
21	1 - 3.99....	-.....	.25

22 COMPUTATION OF ALTERNATIVE SCHOOL SUPPORT UNITS

23 (Computation of alternative school support units shall include
24 grades 6 through 12)

25	Pupils in Attendance	Attendance Divisor	Minimum Units
26			Allowed
27	12 or more.....	12.....	1 or more as computed
28			

29 In applying these tables to any given separate attendance unit, no
30 school district shall receive less total money than it would receive if it
31 had a lesser average daily attendance in such separate attendance unit. In
32 applying the kindergarten table to a kindergarten program of fewer days
33 than a full school year, the support unit allowance shall be in ratio to the
34 number of days of a full school year. The attendance of students attending
35 an alternative school in a school district reporting fewer than one hundred
36 (100) secondary students in average daily attendance shall not be assigned
37 to the alternative table if the student is from a school district reporting
38 fewer than one hundred (100) secondary students in average daily attendance,
39 but shall instead be assigned to the secondary table of the school district
40 in which they are attending the alternative school, unless the alternative

1 school in question serves students from multiple districts reporting fewer
2 than one hundred (100) secondary students in average daily attendance. The
3 tables for exceptional education and alternative school support units shall
4 be applicable only for programs approved by the state department of educa-
5 tion following rules established by the state board of education. Moneys
6 generated from computation of support units for alternative schools shall be
7 utilized for alternative school programs. School district administrative
8 and facility costs may be included as part of the alternative school expen-
9 ditures.

10 (5) State Distribution Factor per Support Unit. Divide educational
11 support program distribution funds, after subtracting the amounts necessary
12 to pay the obligations specified in subsection (2) of this section, by the
13 total state support units to secure the state distribution factor per sup-
14 port unit.

15 (6) District Support Units. The number of support units for each school
16 district in the state shall be determined as follows:

17 (a) (i) Divide the actual average daily attendance, excluding stu-
18 dents approved for inclusion in the exceptional child educational
19 program, for the administrative schools and each of the separate
20 schools and attendance units by the appropriate divisor from the
21 tables of support units in this section, then add the quotients
22 to obtain the district's support units allowance for regular stu-
23 dents, kindergarten through grade 12 including alternative school
24 students. Calculations in application of this subsection shall be
25 carried out to the nearest hundredth.

26 (ii) Divide the combined totals of the average daily attendance
27 of all preschool, kindergarten, elementary, secondary, juvenile
28 detention center students and students with disabilities approved
29 for inclusion in the exceptional child program of the district by
30 the appropriate divisor from the table for computation of excep-
31 tional education support units to obtain the number of support
32 units allowed for the district's approved exceptional child pro-
33 gram. Calculations for this subsection shall be carried out to the
34 nearest hundredth when more than one (1) unit is allowed.

35 (iii) The total number of support units of the district shall be
36 the sum of the total support units for regular students, subpara-
37 graph (i) of this paragraph, and the support units allowance for
38 the approved exceptional child program, subparagraph (ii) of this
39 paragraph.

40 (b) Total District Allowance Educational Program. Multiply the dis-
41 trict's total number of support units, carried out to the nearest hun-
42 dredth, by the state distribution factor per support unit and to this
43 product add the approved amount of programs of the district provided in
44 subsection (2) of this section to secure the district's total allowance
45 for the educational support program.

46 (c) District Share. The district's share of state apportionment is the
47 amount of the total district allowance, paragraph (b) of this subsec-
48 tion.

1 (d) Adjustment of District Share. The contract salary of every noncer-
2 tificated teacher shall be subtracted from the district's share as cal-
3 culated from the provisions of paragraph (c) of this subsection.

4 (7) Property Tax Computation Ratio. In order to receive state funds
5 pursuant to this section, a charter district shall utilize a school mainte-
6 nance and operation property tax computation ratio for the purpose of calcu-
7 lating its maintenance and operation levy that is no greater than that which
8 it utilized in tax year 1994, less four-tenths of one percent (.4%). As used
9 herein, the term "property tax computation ratio" shall mean a ratio deter-
10 mined by dividing the district's certified property tax maintenance and op-
11 eration budget by the actual or adjusted market value for assessment pur-
12 poses as such values existed on December 31, 1993. Such maintenance and op-
13 eration levy shall be based on the property tax computation ratio multiplied
14 by the actual or adjusted market value for assessment purposes as such values
15 existed on December 31 of the prior calendar year.

16 (8) Notwithstanding any provision of law to the contrary, for fiscal
17 years 2022 through 2027, the educational support program shall be calculated
18 as follows:

19 (a) Add the state appropriation, including the moneys available in the
20 public school income fund, together with all miscellaneous revenues to
21 determine the total state funds for public school support;

22 (b) From the total state funds, subtract the amounts needed for state
23 support of special programs listed in subsections (2) and (10) of this
24 section, provided that there shall be no support for salary-based ap-
25 portionment calculated pursuant to sections 33-1004 through 33-1004F,
26 Idaho Code;

27 (c) Divide the remaining funds by the total state student enrollment
28 to determine the state distribution amount per student, with enrollment
29 calculated as provided in subsection (9) of this section; and

30 (d) Multiply a school district's or public charter school's total stu-
31 dent enrollment, with enrollment calculated as provided in subsection
32 (9) of this section, by the state distribution amount per student, and
33 to this product add the approved amount for programs of the school dis-
34 trict or public charter school described in subsections (2) and (10) of
35 this section to secure the school district's or public charter school's
36 total allocation for the educational support program.

37 (9) Notwithstanding any provision of law to the contrary, for fiscal
38 years 2022 through 2027, the state department of education shall use student
39 enrollment instead of average daily attendance or support units in formulas
40 provided by law or rule that use average daily attendance or support units as
41 a factor. If student enrollment cannot be substituted for average daily at-
42 tendance or support units, then the state department of education shall cre-
43 ate a new formula that does not rely on average daily attendance or support
44 units. For purposes of subsections (8) through (11) of this section, student
45 enrollment counts shall be calculated pursuant to the formula adopted in the
46 temporary rule IDAPA 08.02.01.250.07, docket number 08-0201-1903, effec-
47 tive date October 17, 2019, provided that students do not have to be in at-
48 tendance for all the minutes prescribed in the temporary rule in order to be
49 counted as enrolled.

1 (10) For fiscal years 2022 through 2027, the following shall be special
2 programs receiving state support under subsection (8) (b) of this section:

3 (a) Funding for schools subject to special conditions. For fiscal
4 years 2022 through 2027, there shall be no special application of the
5 educational support program as described in section 33-1003, Idaho
6 Code. However, the state board of education shall provide a process
7 under which a school may be designated as a school subject to special
8 conditions, which process shall substantially conform to the process
9 provided in section 33-1003(3), Idaho Code. For purposes of this sub-
10 section, a school subject to special conditions is a school:

11 (i) Which, due to its small size, remote location, or other spe-
12 cial circumstances, would be unable to remain operational under
13 enrollment-based funding; and

14 (ii) Whose closure would cause significant hardship to students
15 in its attendance area; and

16 (b) Student success incentive grants, as determined pursuant to sec-
17 tion 33-1029, Idaho Code.

18 (11) Notwithstanding the provisions of section 33-1009, Idaho Code, or
19 any other provision of law to the contrary, for fiscal years 2022 through
20 2027:

21 (a) Payments of the state general account appropriation for public
22 school support shall be made each fiscal year by the state department
23 of education to school districts and public charter schools in six (6)
24 payments, which payments shall be made no later than the fifteenth day
25 of August, October, December, February, April, and June. The August
26 payment shall be approximately thirty percent (30%) of the total appro-
27 priation for the fiscal year, while the October and December payments
28 shall be approximately twenty percent (20%) each, and the February and
29 April payments shall be approximately fifteen percent (15%) each, ex-
30 cept as provided in section 33-5209C, Idaho Code;

31 (b) Payments of moneys other than the state general account appropri-
32 ation that accrue to the public school income fund shall be made by the
33 state department of education to school districts and public charter
34 schools no later than the fifteenth day of February, April, and June of
35 each fiscal year;

36 (c) Payments made in August and October are advance payments for the
37 current year and may be based on payments from the public school income
38 fund for the preceding school year; and

39 (d) Payments made pursuant to this section shall be based on the state
40 distribution amount per student set forth in subsection (8) of this sec-
41 tion and shall take into consideration all payments distributed for the
42 current fiscal year to school districts and public charter schools.

43 (i) December payments will be based on the school district's or
44 public charter school's student enrollment count from October.

45 (ii) February payments will be based on the school district's or
46 public charter school's average student enrollment count from Oc-
47 tober and December.

48 (iii) April payments will be based on the school district's or pub-
49 lic charter school's average student enrollment count from Octo-
50 ber, December, and February.

1 (iv) June payments will be based on the school district's or public
 2 charter school's average student enrollment count from October,
 3 December, February, and April. The June payments shall take
 4 into consideration all funds available in the public school income
 5 fund for the fiscal year ending June 30.

6 (12) Provisions of law relating to public school funding that do not
 7 conflict with subsections (8) through (11) of this section shall remain
 8 applicable during fiscal years 2022 through 2027. Review of a sample of
 9 evaluations as provided in section 33-1004B, Idaho Code, shall continue
 10 to be conducted during fiscal years 2022 through 2027, except the ratio of
 11 instructional staff evaluations to pupil service staff evaluations shall be
 12 equal to the statewide ratio of instructional staff to pupil service staff.

13 SECTION 2. That Section 33-1026, Idaho Code, be, and the same is hereby
 14 amended to read as follows:

15 33-1026. MANDATORY PUBLIC SCHOOL FUNDING FORMULA REVIEW. The senate
 16 and house of representatives education committees shall conduct a compre-
 17 hensive review of the public school funding formula at least once every five
 18 (5) years, with the first such review to occur by July 1, 2024~~6~~.

19 SECTION 3. That Chapter 10, Title 33, Idaho Code, be, and the same is
 20 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
 21 ignated as Section 33-1029, Idaho Code, and to read as follows:

22 33-1029. STUDENT SUCCESS INCENTIVE GRANTS. (1) Starting in fiscal
 23 year 2022, and subject to appropriation, student success incentive grants
 24 shall be made to school districts and public charter schools for:

25 (a) Each student who enrolls in an accredited institution of higher ed-
 26 ucation within six (6) months of graduating high school;

27 (b) Each student who passes an occupational certification examination
 28 for an occupation described in title 54, Idaho Code, or other recognized
 29 industry-specific certification, within six (6) months of graduating
 30 high school;

31 (c) Each student who enlists in the United States armed forces within
 32 six (6) months of graduating high school;

33 (d) Each student who, within six (6) months of graduating high school,
 34 joins the peace corps or Americorps or participates in a service-ori-
 35 ented mission as defined by rule of the state board of education;

36 (e) Each economically disadvantaged student who graduates high school;

37 (f) Each English language learner who graduates high school;

38 (g) Each at-risk student who graduates high school;

39 (h) Each special education student who graduates high school;

40 (i) Each student described in paragraphs (e) through (h) of this sub-
 41 section who performs an action described in paragraphs (a) through (d)
 42 of this subsection; and

43 (j) Each grade 3 and grade 8 student who satisfies performance crite-
 44 ria as defined by the state board of education and approved by the leg-
 45 islature. Such criteria may include but shall not be limited to scores
 46 on the Idaho standards achievement test and shall include criteria spe-
 47 cific to economically disadvantaged students, English language learn-

1 ers, at-risk students, and special education students. Legislative ap-
2 proval of the criteria shall be independent of the administrative rules
3 process provided in chapter 52, title 67, Idaho Code, and shall be made
4 by concurrent resolution passed by both the senate and the house of rep-
5 resentatives.

6 (2) More than one (1) grant may be made for the same student, provided
7 that the student satisfies more than one (1) of the criteria listed in sub-
8 section (1) of this section.

9 (3) Student success incentive grants made to school districts shall be
10 distributed by the school districts to the schools:

11 (a) Attended by grade 3 or grade 8 students whose conduct provided the
12 basis for the incentive grants; or

13 (b) From which students whose conduct provided the basis for the incen-
14 tive grants graduated.

15 (4) Student success incentive grant moneys shall be used at the discre-
16 tion of the school principal or chief administrator after receiving the ad-
17 vice of the school faculty and staff.

18 (5) The state board of education shall collect the information neces-
19 sary for the award of student success incentive grants and shall report such
20 information to the joint finance-appropriations committee by January 15 of
21 each year.

22 (6) The state board of education shall take such actions as are neces-
23 sary to implement the provisions of this section, including the promulgation
24 of rules and the adoption of criteria described in subsection (1) (j) of this
25 section.