

MINUTES
SENATE EDUCATION COMMITTEE

DATE: Monday, January 31, 2022

TIME: 3:00 P.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairman Thayn, Senators Den Hartog, Crabtree, Woodward, Blair (Johnson), Cook, Ward-Engelking, and Nelson

ABSENT/ EXCUSED: Vice Chairman Lent

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 Thayn** called the meeting of the Senate Education Committee (Committee) to order at 3:01 p.m.

MINUTES APPROVAL: **Senator Crabtree** moved to approve the Minutes of January 18, 2022. **Senator Nelson** seconded the motion. The motion carried by **voice vote**.

RS 29021C1 **RELATING TO THE WORKFORCE DEVELOPMENT COUNCIL: Youth Employment and Job Training Programs.** **Wendi Secrist**, Executive Director, Workforce Development Council (WDC), reported the purpose of this legislation was to align the efforts of the WDC in facilitating expansion of work-based learning to the workforce needs of the State of Idaho agencies. A clause was eliminated that prohibited youth serving under the WDC's employment and training programs from being employees of the State of Idaho. **Ms. Secrist** noted elimination of the clause would not require agencies to hire youth served by the programs; but allowed consideration of youth as candidates for open state positions.

MOTION: **Senator Crabtree** moved to send **RS 29021C1** to print. **Senator Blair** seconded the motion. The motion carried by **voice vote**.

H 443 **RELATING TO EDUCATION: Public Health Insurance Participation Fund (PHIPF).** **Senator Woodward** noted this bill related to health care for employees in the Idaho public school system. **Senator Woodward** stated this bill created a dedicated fund for the purpose of funding the one-time amount required for public schools to buy into the State's medical and dental group insurance plan. Limits were established for the amount that can be allocated per school district and how to handle situations in which the demand exceeds available funds. **Senator Woodward** noted to offset an ongoing amount of funding for school health insurance, this bill sunsets leadership premiums and removes references to those premiums throughout code.

Senator Woodward reported the Legislature could set aside an amount as part of the appropriation's process to fund the PHIPF account. Sunsetting leadership premiums would eliminate \$19,718,100 in General Fund spending for fiscal year (FY) 2023. He outlined the proposed funding appropriations. **Senator Woodward** stated with more people on the state plan, more claims were expected. A larger amount of money must be maintained in the reserves. He noted school districts would have two years to opt in. Any remaining funds at the end of the two-year period would transfer to the PHIPF or to the General Fund if the Public Education Stabilization Fund was at its statutory limit. (See Attachment 1)

DISCUSSION: **Senators Nelson** and **Woodward** discussed the cost of the proposed health insurance, educational system funding, and the reduction of supplemental fees.

Senator Den Hartog queried if the districts chose not to join the state plan, if they still had the opportunity to find a plan on the open market that may work for their districts. She asked what happened to the additional funding. **Senator Woodward** remarked the funding was sent based on support units to the districts.

TESTIMONY: **Layne McInelly**, Career Education President, Idaho Education Association, testified in support of this bill. She noted this bill was imperative for teachers and represented opportunities to provide benefits.

Andy Grover, Executive Director, Idaho Association of School Superintendents, testified in support of the bill. He stated the investment was needed and retained staff with better benefits. **Mr. Grover** and **Senator Den Hartog** discussed the impact the passage of **H 443** would have on both rural and larger area school districts.

Quinn Perry, Deputy Director, Idaho School Boards Association, testified in support of this bill. She noted many school districts were finding ways to cover essential school district's classified staff. She noted this bill would especially help rural districts.

Blake Youde, Idaho Charter School Network, testified in support of the bill. He noted this legislation was the best way to insure employees.

Dean Cameron, Director, Idaho Department of Insurance, testified in support of this bill. He noted this legislation would ensure the schools would join the state insurance pool. **Mr. Cameron** remarked the state pool would become the standard by which school districts would measure health benefits, regardless of participation. Competitors would offer the best price for the best product to local districts. Participating in the State's plan would insure more dependents. Currently, most school districts cannot afford to pay for dependents. With the passage of this legislation the best teachers would be attracted and retained.

Fred Birnbaum, Freedom Foundation, submitted written testimony in opposition to the bill. He noted by passing **H 443** puts the incumbent, Blue Cross, at a competitive advantage over other providers (Attachment 1).

DISCUSSION: **Senator Den Hartog** stated school districts that chose to join the state insurance plan were receiving help from the State with the costs to join. She asked for clarification if a school district was able to join the plan after the two-year window. **Director Cameron** stated school districts had the opportunity to join the plan beyond the two years, but it would be up to the Legislature as to whether to extend the two years based on how much money was left.

Chairman Thayn remarked he was in support of the bill. He stated the larger the pool, the better the insurance rates. He and **Mr. Cameron** discussed competition and how competition would actually increase. **Mr. Cameron** stated the two-year window time frame was perfect to be evaluating how many districts joined and if they did not join, why. The Committee discussed the value of this legislation.

MOTION: **Senator Cook** moved to send **H 443** to the floor with a **do pass** recommendation. **Senator Ward-Engelking** seconded the motion.

DISCUSSION: A discussion ensued among the Committee praising the benefits of this bill and expressing their support.

VOICE VOTE: The motion to send **H 443** to the floor with a **do pass** recommendation carried by **voice vote**.

ADJOURNED: There being no further business at this time, **Chairman Thayn** adjourned the meeting at 3:45 p.m.

Senator Thayn
Chair

Katy Morden
Secretary

Linda Kambeitz, Asst. Secretary