

IN THE SENATE

SENATE BILL NO. 1441

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO EDUCATION; AMENDING SECTION 33-914, IDAHO CODE, AS ADDED BY  
2 SECTION 16 OF HOUSE BILL NO. 521, IF ENACTED BY THE SECOND REGULAR SES-  
3 SION OF THE SIXTY-SEVENTH IDAHO LEGISLATURE, TO REVISE A DEADLINE FOR  
4 A SCHOOL DISTRICT TO MAKE A DISTRIBUTION ELECTION; AMENDING SECTION  
5 33-915, IDAHO CODE, AS ADDED BY SECTION 17 OF HOUSE BILL NO. 521, IF  
6 ENACTED BY THE SECOND REGULAR SESSION OF THE SIXTY-SEVENTH IDAHO LEGIS-  
7 LATURE, TO REVISE PROVISIONS REGARDING SCHOOL MODERNIZATION FACILITIES  
8 FUND DISTRIBUTIONS; AMENDING SECTION 33-916, IDAHO CODE, AS ADDED  
9 BY SECTION 18 OF HOUSE BILL NO. 521, IF ENACTED BY THE SECOND REGULAR  
10 SESSION OF THE SIXTY-SEVENTH IDAHO LEGISLATURE, TO REVISE PROVISIONS  
11 REGARDING THE ELIGIBILITY OF SCHOOL DISTRICTS FOR SCHOOL MODERNIZATION  
12 FACILITIES FUND DISTRIBUTIONS; AMENDING SECTION 33-917, IDAHO CODE,  
13 AS ADDED BY SECTION 19 OF HOUSE BILL NO. 521, IF ENACTED BY THE SECOND  
14 REGULAR SESSION OF THE SIXTY-SEVENTH IDAHO LEGISLATURE, TO REVISE PRO-  
15 VISIONS REGARDING THE CREATION OF THE MODEL SCHOOL FACILITY COUNCIL;  
16 AMENDING SECTION 36 OF HOUSE BILL NO. 521, IF ENACTED BY THE SECOND REG-  
17 ULAR SESSION OF THE SIXTY-SEVENTH IDAHO LEGISLATURE, TO REVISE CERTAIN  
18 EFFECTIVE DATES; AND DECLARING AN EMERGENCY.  
19

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

21 SECTION 1. That Section 33-914, Idaho Code, as added by Section 16 of  
22 House Bill No. 521, if enacted by the Second Regular Session of the Sixty-  
23 seventh Idaho Legislature, be, and the same is hereby amended to read as fol-  
24 lows:

25 33-914. ANNUALIZED OR LUMP SUM DISTRIBUTION -- SCHOOL MODERNIZATION  
26 FACILITIES FUND. (1) School districts may elect to receive their distribu-  
27 tion as a lump sum from the net proceeds of the bonds paid to the state de-  
28 partment of education. School districts may alternatively request to re-  
29 ceive their distribution in annualized amounts, which shall be subject to  
30 the order of priority specified for the school district facilities fund es-  
31 tablished in section 33-911, Idaho Code. The state department of education  
32 shall establish a process for school districts to elect a lump sum or an-  
33 nualized distribution or a combination thereof in alignment with the dates  
34 specified in section 33-911, Idaho Code. Annualized distributions shall be  
35 distributed to school districts no later than August 31 each year, to those  
36 school districts electing such distributions prior to that date.

37 (2) If a school district elects not to receive either an annualized  
38 distribution or a lump sum amount or fails to make a selection by July 1, ~~2025~~  
39 2026, the amount the school district would have received shall be trans-  
40 ferred to the school district facilities fund created in section 33-911,  
41 Idaho Code, for distribution to all schools according to the provisions of  
42 section 33-911, Idaho Code.

1 SECTION 2. That Section 33-915, Idaho Code, as added by Section 17 of  
2 House Bill No. 521, if enacted by the Second Regular Session of the Sixty-  
3 seventh Idaho Legislature, be, and the same is hereby amended to read as fol-  
4 lows:

5 33-915. FIXED DISTRIBUTION -- SCHOOL MODERNIZATION FACILITIES  
6 FUND. (1) The state department of education shall establish a fixed distri-  
7 bution of funds to be made available for voluntary election to each school  
8 district subject to the conditions in this section.

9 (a) The distribution shall be calculated in state fiscal year ~~2025~~  
10 2026 for each school district, as defined in section 33-1001(21), Idaho  
11 Code, that is in operation as of July 1, ~~2024~~ 2025.

12 (b) The distribution shall be calculated by multiplying the following  
13 two (2) factors, both of which shall be based on the most recent data  
14 available in the state fiscal year coinciding with the distribution  
15 calculation:

- 16 (i) Calculate the per-pupil amount, using the average daily at-  
17 tendance calculation provided in section 33-1003A, Idaho Code,  
18 for each student in kindergarten through grade 12 at physical  
19 facilities that are part of and on school grounds of the school  
20 district in which the student is enrolled with verification, as  
21 needed, by the office of the state board of education. Upon formal  
22 approval by the state board of education, a school district may re-  
23 ceive an exemption to the physical facility requirement pursuant  
24 to this subsection if the student would have attended a physical  
25 facility in the school district if not for a stated emergency; and  
26 (ii) Calculate, together with the Idaho state building authority,  
27 the total amount that a bond issuance would generate, based on the  
28 amount established in section 63-3638(19), Idaho Code.

29 (c) In no case shall the amount awarded to any school district be less  
30 than twenty-five thousand dollars (\$25,000) over the ten (10) year pe-  
31 riod.

32 (d) In no case shall the amount awarded to any school district with an  
33 active charter district maintenance and operation levy pursuant to sec-  
34 tion 33-802(6), Idaho Code, or a charter district supplemental mainte-  
35 nance and operation levy pursuant to section 33-802(4), Idaho Code, ex-  
36 ceed forty million dollars (\$40,000,000) over the ten (10) year period.  
37 Excess funds shall be distributed proportionately according to the  
38 factors established in paragraph (b) of this subsection to remaining  
39 school districts that received initial allocations below forty million  
40 dollars (\$40,000,000). Any districts receiving reallocations under  
41 this paragraph shall not exceed forty million dollars (\$40,000,000).

42 (e) For the purposes of this section, the Idaho school for the deaf and  
43 the blind shall be considered a school district and shall receive a dis-  
44 tribution based on the average daily attendance of the school.

45 (2) The provisions of this section shall be null, void, and of no force  
46 and effect on and after June 30, ~~2034~~ 2035.

47 SECTION 3. That Section 33-916, Idaho Code, as added by Section 18 of  
48 House Bill No. 521, if enacted by the Second Regular Session of the Sixty-

1 seventh Idaho Legislature, be, and the same is hereby amended to read as fol-  
2 lows:

3 33-916. ELIGIBILITY OF SCHOOL DISTRICTS FOR SCHOOL MODERNIZATION FA-  
4 CILITIES FUND DISTRIBUTIONS. The state department of education shall not ap-  
5 prove school district requests for annualized distributions or for distri-  
6 bution from the applicable bond proceeds until the following conditions are  
7 satisfied:

8 (1) The school district has submitted a ten (10) year facilities plan in  
9 accordance with provisions of section 33-918, Idaho Code;

10 (2) The school district attests that if it operated on a five (5) day  
11 school week during fiscal year ~~2024~~ 2025, it will not convert to a four (4)  
12 day school week during the period for which the school district has elected  
13 to receive funding from the school modernization facilities fund. If the  
14 school district does convert from a five (5) day school week to a four (4) day  
15 school week or if it operated on a four (4) day school week during fiscal year  
16 ~~2024~~ 2025, it must attest that it meets the minimum contract days and mini-  
17 mum student instructional day requirements of the state board of education,  
18 which requirements shall be implemented no later than August 1, ~~2024~~ 2025;  
19 and

20 (3) The school district attests compliance with the dignity and nondis-  
21 crimination in public education requirements specified in section 33-138,  
22 Idaho Code, and further attests that the school district does not require job  
23 applicants to sign written diversity statements.

24 SECTION 4. That Section 33-917, Idaho Code, as added by Section 19 of  
25 House Bill No. 521, if enacted by the Second Regular Session of the Sixty-  
26 seventh Idaho Legislature, be, and the same is hereby amended to read as fol-  
27 lows:

28 33-917. SCHOOL DISTRICT USE OF FUNDS -- SCHOOL MODERNIZATION FACILI-  
29 TIES FUND.

30 (1) (a) Moneys distributed to a school district shall be used for school  
31 facility construction, renovation, or maintenance needs or, in the case  
32 of school districts electing annualized distributions, funds shall  
33 be used subject to section 33-911, Idaho Code. Uses of funds shall  
34 include regular and routine facilities maintenance, including preven-  
35 tive maintenance, building repairs, and building security, and shall  
36 also include periodic major facilities projects that involve plan-  
37 ning, design, construction, renovation, retrofitting, and replacing  
38 of buildings and building systems, components, and features, as well as  
39 site acquisition, site improvements, and new construction.

40 (b) Any funds distributed by the state to school districts for facil-  
41 ities must be used only for the purposes described in this subsection.  
42 Any funds intended for facilities but used for another purpose shall  
43 be returned to the state by the school district and deposited to the  
44 state general fund. If the school district fails to return such funds,  
45 an amount equivalent to the misused funds shall be deducted from the  
46 state's next payment to the school district pursuant to this chapter or  
47 chapter 52, title 33, Idaho Code.

1 (2) All funds shall be used for school facilities directly related to  
2 the school district's core educational mission. No funds shall be used for  
3 facilities with a primary athletic purpose.

4 (3) Each school district shall annually report to the state department  
5 of education, in a manner prescribed by the state department of education, on  
6 the planned and actual expenditure of moneys it has received pursuant to this  
7 section.

8 (4) A model school facility council shall be created by July 1, 2024  
9 2025, to research, adopt, and recommend a model school facility plan that  
10 schools shall abide by when using school modernization facilities fund mon-  
11 eys pursuant to the plan adopted in paragraph (c) of this subsection. The  
12 council shall:

13 (a) Be chaired by the executive director of the office of the state  
14 board of education, with administrative support provided by the office  
15 of the state board of education;

16 (b) Consist of nine (9) members, with three (3) members appointed by  
17 the governor, three (3) members appointed by the speaker of the house of  
18 representatives, and three (3) members appointed by the president pro  
19 tempore of the senate; and

20 (c) Adopt a model school facility plan and submit it to the legislature  
21 by July 1, ~~2026~~ 2027, that:

22 (i) Outlines a clear plan for school facility construction, in-  
23 cluding standardization for elementary schools, middle schools,  
24 and high schools;

25 (ii) Considers potential variability of school properties, ob-  
26 jectives, and goals; and

27 (iii) Consults all necessary experts to develop a thorough plan  
28 for school facilities to guide the use of funds from the school  
29 modernization facilities fund.

30 SECTION 5. That Section 36 of House Bill No. 521, if enacted by the Sec-  
31 ond Regular Session of the Sixty-seventh Idaho Legislature, be, and the same  
32 is hereby amended to read as follows:

33 SECTION 36. An emergency existing therefor, which emergency  
34 is hereby declared to exist, Sections 2 and 3 of this act shall be  
35 in full force and effect on and after passage and approval, and  
36 retroactively to January 1, 2024, ~~and Sections 1 and, 4 through 35~~  
37 14, and 20 through 35 shall be in full force and effect on and after  
38 July 1, 2024, ~~and Sections 15 through 19 shall be in full force and~~  
39 effect on and after July 1, 2025.

40 SECTION 6. An emergency existing therefor, which emergency is hereby  
41 declared to exist, this act shall be in full force and effect on and after its  
42 passage and approval.