

CAPITOL



By Jess Harrison, Director of Government Affairs

“Democracy works when people claim it as their own.”
–Bill Moyers

February 13, 2017
Issue 5

GREETINGS

I wanted to take a brief moment to let the readers of *Capitol Notes* know that I’m back writing my first issue of 2017. My name is Jessica (aka Jess) Harrison and I am ISBA’s Director of Government Affairs. I work during with ISBA’s advocacy team during the session and throughout the year to advance our membership’s legislative priorities. I look forward to seeing many of you in person next week at our annual Day on the Hill event!

BILL PRINTS PICK UP

As Karen mentioned last week, the deadline to print bills in non-privileged committees is today. Thus, there were many bills that printed late last week and many more on agendas in various committees today.

School-Based Medicaid Reimbursement

We have discussed this issue at length in this publication and spent many, many hours working with legislators and now we finally have a bill slated to print today in the Senate Education Committee. As we’ve previously noted, we have included a variety of items related to this issue in the legislation with the understanding that we will likely be negotiating some of these pieces as the bill makes its way through the process. Here is what we have included in the legislation:

- Payment for services from the day they are provided rather than needing to wait until a physician or physician’s assistant has signed the Individual Education Plan (IEP).
- Allowing for payment for services provided in developing the IEP plan and identifying students who need services.

- Rewriting the Memorandum of Understanding between the State Department of Education and the Idaho Department of Health and Welfare (IDHW).
- Restructuring the Committee that meets to discuss Medicaid reimbursement issues so that the Committee includes representation from ISBA and IASA.
- Allowing for the assessment of Civil Monetary Penalties only in the case of proven fraud rather than when IDHW determines that the errors are egregious.

We still encourage you to contact your Senators in support of this legislation. It should have a bill number by Tuesday afternoon.

HB117 Business Personal Property Tax Exemption Increase

This bill expands the current Business Personal Property Tax (BPPT) exemption of \$100,000 enacted in 2013 to \$250,000. The replacement amount on the additional \$150,000 will be based on 2017 tax rolls while the original replacement funding on the first \$100,000 is still frozen at the 2014 levels. The additional replacement dollars will be frozen at the 2018 levels. Replacement funding will come annually from the state general fund through the sales tax distribution formula. The impact to the general fund will be approximately \$9 million annually which is the estimated cost of the replacement funds.

Because the new replacement dollars from the state will remain frozen at the 2018 levels and because the original replacement dollars on the first \$100,000 are still frozen at 2014 levels, the Government Affairs Committee (GAC) voted to oppose this legislation. There are several school districts that rely heavily on this property tax for their bonds and levies and they will be impacted by the loss in revenue over time with the replacement dollars frozen. Additionally, this will be another tax shift for school districts as the share of property taxes paid by businesses are shifted to homeowners. Finally, the GAC felt that the Legislature should stop making tax policy piecemeal and start having a comprehensive review of all the taxes and exemptions in place and discuss taxation in the context of the overall system.

As we discussed last week with HB67 on the income tax reduction, we will need your help in opposing this legislation. We urge you to contact your legislators in opposition to HB117.

HB134 Election Communications

This legislation printed late last week and is sponsored by Rep. Jason Monks. It prevents public funds, resources, or property from being used to influence elections. It severely limits what information you could provide your patrons regarding bonds and levies as well as when you can send information out. It also provides for penalties if the law is violated. Because of the late printing, our GAC did not have a chance to review the legislation and we hear that it may be slightly rewritten, but the intent will remain the same. We will closely follow this legislation.

SB1050 Immunization Exemptions

This legislation printed in the Senate Health and Welfare Committee. Currently, parents or legal guardians may exempt their minor children from obtaining certain immunizations before starting school. However, the exemption must be signed on a form prescribed by the IDHW that outlines the importance of immunizations as well as requires an explanation for the exemption from the parent. This law would clarify that a parent or guardian need only sign a statement of

objection in any form and present it to the school. We heard from school nurses that they object to this legislation because it makes it easier for parents not to immunize their children creating health risks for students. The School Nurses group will be opposing this legislation along with other groups.

SB1059 Pupil Service Staff Eligible for Master Premiums

During the 2015 Legislative Session the Legislature requested the State Board of Education (SBOE) add pupil service staff to the career ladder and the Master Teacher Premium provisions. During the 2016 legislative session pupil service staff were added to the career ladder. This legislation would make pupil service staff eligible for the Master Teacher Premium. This change was not made during the 2016 Legislative Session to allow time for the Master Teacher Premium requirements to be developed, including the specific requirements for pupil service staff. If this legislation passes, pupil services staff would be eligible for what now will be called Master Educator Premiums.

HJR3 Reducing the Supermajority Requirement for Bonds

This week Rep. Matt Erpelding, a Democrat from Boise, printed a House Joint Resolution (HJR) in the Local Government Committee that would reduce the supermajority requirement for bonds from 66.67% down to 60%. As you all know, ISBA has been working on this issue for many years. It would require 2/3rds of the House and 2/3rds of the Senate to pass this HJR to put this constitutional amendment on the ballot. Unfortunately, so far the HJR has not been referred back to a committee for a hearing and instead is being what is termed “Held at the Desk” which means it’s unlikely to move forward.

Trustee Elections

Senator Souza has a bill up for print in the Senate State Affairs Committee this morning. She has not shared the legislation with us. The only information that we have on the legislation is from the committee’s agenda which states that the legislation provides “that the boundaries of school trustee zones shall be drawn along voting precinct boundaries”. Obviously, we will be reviewing this legislation closely and bringing it before our GAC.

Charter Legislation Rewrite

Very late last week, we learned of legislation that is likely to print this afternoon in the Senate Education Committee concerning charter schools. It is an extensive rewrite of Chapter 52, Title 33 which deals with charter schools. The legislation is 25 pages long and we are currently conducting a detailed review of the legislation along with other education stakeholders. We understand that Senator Mortimer, Chair of the Education Committee, is the sponsor of the legislation. The legislation makes significant changes to the charter petition process, in other words the process to open a new charter school. It also amends some pieces of the charter performance certificates, makes many changes to the admission and renewal procedures, and allows charter schools to participate in the Local Government Investment Pool. We are uncertain as to what this pool is or will entail, but the Treasurer’s Office has a bill up for print this morning titled Local Government Investment Pool which we believe will set up this program which charter schools would be able to access.

The most significant change in this legislation concerns what laws and rules apply to charter schools. It essentially states that any law or rule in Title 33 (the education code) outside of Chapter 52 (the chapter that pertains specifically to charter schools) is not applicable to charter schools unless the statute or rule specifically states that it applies to charter schools. This would be a broad change from current practice which has been that because charter schools are public schools, the laws and rules that apply to traditional school districts also apply to charter schools. This means that charters would effectively be exempt from most laws and rules that apply to traditional schools. These are big changes that will be discussing at length with our GAC and the other education stakeholders.

ADMINISTRATIVE RULES UPDATE

Most of the administrative rules this session have successfully passed both education committees. However, a few have been rejected by one committee or pulled back. The State Department of Education decided to pull back their rules regarding school bus operations. They stated they are still working on edits and requested the committees reject the rule they had brought forward. It takes only one committee to approve a rule, but it takes both committees to reject a rule or a section of a rule.

As we previously reported, the Senate Education Committee has been pushing back on reporting requirement and rejected the two parts of a rule related to Literacy Plans and College and Career Advising plans and allowed the remainder, on Continuous Improvement metrics, to move forward. Those plans are still required by statute, but the additional requirements to be included in the rules on the plans were rejected. This rule has not yet been taken back up in the House Education Committee.

This week, the House Education Committee took up all the rules related to content standards, including the math and English language standards which are Idaho Core standards. They approved all of the standards with the exception of the changes to the rules regarding what constitutes a humanities class for the purpose of graduation and they rejected all of the sections of the science standards that related to climate change. The Senate Education Committee has yet to take up the content standards rules and they would have to concur in the rejection of those sections in order for them to be removed from the standards.

OTHER THINGS HAPPENING THIS WEEK

There are two things that we wanted to note that will take place this week. The first is that the legislative committee reviewing the Public School Funding Formula is meeting on Wednesday at 1:00pm MST to report their findings. We believe that they will ask for another year to complete their work and continue with the committee and we will report next week on that meeting.

The other important report that will come out this week relates to the review of teacher evaluations being conducted by the State Board of Education (SBOE). The SBOE will report their initial findings for the review to a joint meeting of the education committees.

REMINDERS

Day on the Hill is next week on February 20-21. We are excited to have school board members and other district and charter school leaders in town for this event. We've got another great agenda this year that includes many opportunities for you to connect with your legislators.

You can find all details regarding Day on the Hill on the website at:

<http://idsba.org/dayonthehill>.

ISBA LEGISLATION BASED ON RESOLUTIONS

Below is our progress on each of the ISBA Resolutions. If there is a change from last week, that text is *italicized*.

Public Notice Alternatives (2016) – Legislation Needed

Status: The Newspaper Association is adamantly opposed to this legislation. We have tried to find some language that they might be able to support but have, thus far, been unsuccessful.

Discussion of Sale of Public Property within Executive Session (2016) – Legislation Needed

Status: We attempted to come to consensus with the Newspaper Association on this issue last year, but were unable to do so. We are currently working with some of our partners who are also impacted by this legislation to assure that they are in agreement as well. We remain hopeful that we can draft legislation that will meet everyone's needs.

Optimize the Reimbursement of School-Based Medicaid Program (2016) – Legislation Needed - Legislation

Status: After spending two years trying to work with the Department of Health and Welfare to find a resolution to this issue, we have decided to run legislation. The legislation is drafted and we have secured at least one sponsor. *We will present our draft legislation for print in the Senate Education Committee and start it through the process.*

Administrators in Districts with Remote Schools (2016) – Legislation Needed

Status: We continue to have discussions with the Senate Education Chair and the main sponsoring school district on this issue. We do not believe the Chair will hear this legislation.

Beyond the Smarter Balanced Assessment Consortium Test (2016) – Work with the State Department of Education and the State Board of Education

Status: We continue to work with the State Department of Education and the State Board of Education to assure that we are involved in discussions with any next steps when it comes to statewide student testing.

Information on Past Job Performance Requirements (2016) – Held at the request of the sponsoring school district

Status: The sponsoring school district (Moscow), has asked us to hold off on legislation for this year.

Retention of Retired Teachers (2017) – HB113

Status: The State Board of Education has drafted legislation that will allow school districts to rehire teachers who have retired at the age of 60 – it is currently age 62. *This legislation printed last week and we will stand in support when it gets a hearing.*

Funding School Construction (2017) – Legislation Needed

Status: The sponsoring district is working with their local legislator in hopes of drafting some legislation to address this issue. There are several ways to address it but most would include a tax increase. After meeting with the sponsoring district, West Ada, they have decided not to move forward with this legislation this year. The district has some ideas about how to address this, but they would like to get input from districts throughout the State on their proposal and try to move it through the Public School Funding Formula Committee.

Reducing the Supermajority for School District Bonds (2017) – Legislation Needed

Status: It requires a constitutional amendment so would take 2/3 of the House and 2/3 of the Senate to approve it. At that time, it would go on the ballot for the citizens to determine if this is good public policy. *As noted above, HJR3 printed, but has been held at the desk. We will continue to see if we can make progress on this issue.*

Reduce the 2/3 Majority Vote Requirement to go into Executive Session – Legislation Needed

Status: This legislation is drafted. As we feared, the Newspaper Association is opposed to this legislation. We are also hearing that the Attorney General may be opposed as well. The Newspaper Association is opposed to anything that allows Boards to do business behind closed doors. We are still working to see if we can narrow the language down to include instances when there are so many vacancies on the Board that the remaining Board members would not be able to make the 2/3 majority. For instance, if there are two vacancies on a five member Board, that constitutes a quorum but does not meet the 2/3 majority requirement.

Opposition to Amending Article IX Section V of the Idaho Constitution (Blaine Amendment)

Status: This resolution requires ISBA to oppose any legislation that would ask for an amendment to the constitution. This amendment would allow public funds to flow to private and parochial schools. We are hearing that this legislation will not receive a hearing this year.

Rural School Centers

Status: We received the final version of this legislation. As we discussed last week, the legislation will only provide funding for up to three years for any “Rural Support Network”. In addition, we are still not sure where the funding will be placed. The GAC voted to support the legislation if the funding comes from the Superintendent of Public Instruction budget and that they wanted a yearly report to the Legislature as to whether or not the Network was a benefit to the school districts or charters that participated in it.

Salary Based Apportionment for Classified Employees – Legislation Needed

Status: There are many ways to address an increase in funding for classified staff. That could include changing the factor or simply increasing the total dollars in this line item. Because of the significant amount that will likely be placed in teacher’s salaries this year, we may need to wait until next year before we begin addressing this issue. We will, however, continue to ensure that the Funding Formula Interim Committee is aware of our needs in this area.

STAY TUNED

You can view any bills that are moving through the Legislature at the following link:

<https://legislature.idaho.gov/sessioninfo/2017/legislation/>

If you want to listen in to committee meetings or watch debate in JFAC or on the floor of either chamber, that link can be found at:

<http://idahoptv.org/insession/leg.cfm>

