14

15

16

17

18

19

20 21

22

23

24

25 26

27 28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 603

BY EDUCATION COMMITTEE

7 17 7 7 7

1	AN ACI
2	RELATING TO EDUCATION; AMENDING SECTION 33-1002, IDAHO CODE, TO REVISE A
3	CERTAIN TABLE RELATING TO THE COMPUTATION OF ELEMENTARY SUPPORT UNITS
4	AND TO PROVIDE THAT CERTAIN CALCULATIONS SHALL BE CARRIED OUT TO THE
5	NEAREST HUNDREDTH; AMENDING SECTION 33-1003, IDAHO CODE, TO REMOVE CER-
6	TAIN PROVISIONS RELATING TO A DECREASE IN AVERAGE DAILY ATTENDANCE AND
7	TO REVISE CERTAIN PROVISIONS RELATING TO A DECREASE IN AVERAGE DAILY
8	ATTENDANCE; AND AMENDING SECTION 33-1009, IDAHO CODE, TO PROVIDE THAT
9	CERTAIN PAYMENTS MADE TO THE SCHOOL DISTRICTS MAY BE BASED UPON CERTAIN
10	PAYMENTS FOR THE PRECEDING SCHOOL YEAR, TO PROVIDE THAT EACH SCHOOL
11	DISTRICT MAY RECEIVE CERTAIN PAYMENTS IN A CERTAIN RATIO AND TO MAKE
12	TECHNICAL CORRECTIONS.

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

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

- 33-1002. EDUCATIONAL SUPPORT PROGRAM. The educational support program is calculated as follows:
- (1) State Educational Support Funds. Add the state appropriation, including the moneys available in the public school income fund, together with all miscellaneous revenues to determine the total state funds.
- (2) From the total state funds subtract the following amounts needed for state support of special programs provided by a school district:
 - (a) Pupil tuition-equivalency allowances as provided in section 33-1002B, Idaho Code;
 - (b) Transportation support program as provided in section 33-1006, Idaho Code;
 - (c) Feasibility studies allowance as provided in section 33-1007A, Idaho Code;
 - (d) The approved costs for border district allowance, provided in section 33-1403, Idaho Code, as determined by the state superintendent of public instruction;
 - (e) The approved costs for exceptional child approved contract allowance, provided in subsection 2. of section 33-2004, Idaho Code, as determined by the state superintendent of public instruction;
 - (f) Certain expectant and delivered mothers allowance as provided in section 33-2006, Idaho Code;
 - (g) Salary-based apportionment calculated as provided in sections 33-1004 through 33-1004F, Idaho Code;
 - (h) Unemployment insurance benefit payments according to the provisions of section 72-1349A, Idaho Code;
- (i) For public school technology as provided in section 33-1022, Idaho Code;

- (j) For employee severance payments as provided in section 33-521, Idaho Code;
 - (k) For distributions to the Idaho digital learning academy as provided in section 33-1020, Idaho Code;
 - (1) For dual credit courses as provided in section 33-1626, Idaho Code;
 - (m) For additional math and science courses for high school students as provided in section 33-1021, Idaho Code;
 - (n) For costs associated with mobile computing devices and teacher training as provided in section 33-1627, Idaho Code;
 - (o) For certificated employee severance payment reimbursement as provided in section 33-515B, Idaho Code;
 - (p) For pay for performance as provided in section 33-1004I, Idaho Code;
 - (q) For the support of provisions that provide a safe environment conducive to student learning and maintain classroom discipline, an allocation of \$300 per support unit; and
 - (r) Any additional amounts as required by statute to effect administrative adjustments or as specifically required by the provisions of any bill of appropriation;

to secure the total educational support distribution funds.

Average Daily

- (3) Average Daily Attendance. The total state average daily attendance shall be the sum of the average daily attendance of all of the school districts of the state. The state board of education shall establish rules setting forth the procedure to determine average daily attendance and the time for, and method of, submission of such report. Average daily attendance calculation shall be carried out to the nearest hundredth. Computation of average daily attendance shall also be governed by the provisions of section 33-1003A, Idaho Code.
- (4) Support Units. The total state support units shall be determined by using the tables set out hereafter called computation of kindergarten support units, computation of elementary support units, computation of secondary support units, computation of exceptional education support units, and computation of alternative school secondary support units. The sum of all of the total support units of all school districts of the state shall be the total state support units.

COMPUTATION OF KINDERGARTEN SUPPORT UNITS

37	Average Darry		
38	Attendance	Attendance Divisor	Units Allowed
39	41 or more	40	1 or more as computed
40	31 - 40.99 ADA		1
41	26 - 30.99 ADA		.85
42	21 - 25.99 ADA		.75
43	16 - 20.99 ADA		. 6
44	8 - 15.99 ADA		.5
45	.01 - 7.99 ADA		count as elementary

1	COMPUTATION OF ELEMENTARY SUPPORT UNITS				
2	Average Daily		Minimum Units		
3	Attendance	Attendance Divisor	Allowed		
4	300 or more ADA		15		
5		23grades 4,5 & 6			
6		22grades 1,2 & 31994-95			
7 8		21grades 1,2 & 31995-96 20grades 1,2 & 31996-97			
9		and each year thereafter.			
9 10	160 to 299.99 ADA		0 4		
11	110 to 159.99 ADA	20			
12	71.1 to 109.99 ADA	16			
13	51.7 to 71.0 <u>9</u> ADA	15			
14	33.6 to 51.6 <u>9</u> ADA	13			
15	16.6 to 33.5 <u>9</u> ADA	12	1.4		
16	.01 to 16.5 <u>9</u> ADA	n/a	1.0		
17	COMPUTATION OF SECONDARY SUPPORT UNITS				
18	Average Daily		Minimum Units		
19	Attendance	Attendance Divisor	Allowed		
20	750 or more	18.5			
21	400 - 749.99 ADA	16	. 28		
22	300 - 399.99 ADA	14.5	. 22		
23	200 - 299.99 ADA	13.5	. 17		
24	100 - 199.99 ADA	12	. 9		
25	99.99 or fewer	Units allowed as follows:			
26 27	Grades 7-12 Grades 9-12				
28	Grades 7-8				
20	crades / c		. I pel 10 ADA		
29	COMPUTATION	N OF EXCEPTIONAL EDUCATION SUPPORT UN	ITS		
30	Average Daily		Minimum Units		
31	Attendance	Attendance Divisor	Allowed		
32 33	14 or more	14.5	.1 or more as computed		
34	12 - 13.99		. 1		
35	8 - 11.99				
36	4 - 7.99		5		
37	.01 - 3.99		25		

COMPUTATION OF ALTERNATIVE SCHOOL SECONDARY SUPPORT UNITS

2	Pupils in Attendance	Attendance Divisor	Minimum Units
3			Allowed
4	12 or more	12	. 1 or more as
5			computed

In applying these tables to any given separate attendance unit, no school district shall receive less total money than it would receive if it had a lesser average daily attendance in such separate attendance unit. In applying the kindergarten table to a kindergarten program of less days than a full school year, the support unit allowance shall be in ratio to the number of days of a full school year. The tables for exceptional education and alternative school secondary support units shall be applicable only for programs approved by the state department of education following rules established by the state board of education. Moneys generated from computation of support units for alternative schools shall be utilized for alternative school programs. School district administrative and facility costs may be included as part of the alternative school expenditures.

- (5) State Distribution Factor per Support Unit. Divide educational support program distribution funds, after subtracting the amounts necessary to pay the obligations specified in subsection (2) of this section, by the total state support units to secure the state distribution factor per support unit.
- (6) District Support Units. The number of support units for each school district in the state shall be determined as follows:
 - (a) (i) Divide the actual average daily attendance, excluding students approved for inclusion in the exceptional child educational program, for the administrative schools and each of the separate schools and attendance units by the appropriate divisor from the tables of support units in this section, then add the quotients to obtain the district's support units allowance for regular students, kindergarten through grade 12 including alternative school secondary students. Calculations in application of this subsection shall be carried out to the nearest tenth hundredth.
 - (ii) Divide the combined totals of the average daily attendance of all preschool, kindergarten, elementary, secondary, juvenile detention center students and students with disabilities approved for inclusion in the exceptional child program of the district by the appropriate divisor from the table for computation of exceptional education support units to obtain the number of support units allowed for the district's approved exceptional child program. Calculations for this subsection shall be carried out to the nearest tenth hundredth when more than one (1) unit is allowed.
 - (iii) The total number of support units of the district shall be the sum of the total support units for regular students, subsection (6)(a)(i) of this section, and the support units allowance for the approved exceptional child program, subsection (6)(a)(ii) of this section.

- (b) Total District Allowance Educational Program. Multiply the district's total number of support units, carried out to the nearest tenth, by the state distribution factor per support unit and to this product add the approved amount of programs of the district provided in subsection (2) of this section to secure the district's total allowance for the educational support program.
- (c) District Share. The district's share of state apportionment is the amount of the total district allowance, subsection (6) (b) of this section.
- (d) Adjustment of District Share. The contract salary of every noncertificated teacher shall be subtracted from the district's share as calculated from the provisions of subsection (6) (c) of this section.
- (7) Property Tax Computation Ratio. In order to receive state funds pursuant to this section a charter district shall utilize a school maintenance and operation property tax computation ratio for the purpose of calculating its maintenance and operation levy, that is no greater than that which it utilized in tax year 1994, less four-tenths of one percent (.4%). As used herein, the term "property tax computation ratio" shall mean a ratio determined by dividing the district's certified property tax maintenance and operation budget by the actual or adjusted market value for assessment purposes as such values existed on December 31, 1993. Such maintenance and operation levy shall be based on the property tax computation ratio multiplied by the actual or adjusted market value for assessment purposes as such values existed on December 31 of the prior calendar year.

SECTION 2. That Section 33-1003, Idaho Code, be, and the same is hereby amended to read as follows:

- APPLICATIONS 33-1003. SPECIAL OF EDUCATIONAL SUPPORT PRO-GRAM. Decrease in Average Daily Attendance. -- From the effective date of this act through June 30, 2011, any school district that has a decrease in total average daily attendance of one percent (1%) of its average daily attendance in the then current school year from the total average daily attendance used for determining the allowance in the educational support program for the school year immediately preceding, the allowance of funds from the educational support program may be based on the average daily attendance of the school year immediately preceding, less one percent (1%). When this provision is applied, the decrease in average daily attendance shall be proportionately distributed among the various categories of support units that are appropriate for the district.
- (1) Decrease in Average Daily Attendance for 2011-2012 School Year. -- For any school district which has a decrease in total average daily attendance of three percent (3%) or more of its average daily attendance in the 2011-2012 current school year from the total average daily attendance used for determining the allowance in the educational support program for the 2010-2011 prior school year, the allowance of funds from the educational support program may be based on the average daily attendance of the 2010-2011 prior school year, less three percent (3%). When this provision is applied, the decrease in average daily attendance shall be proportionately distributed among the various categories of support units that are appropriate for the district. The legislature hereby encourages boards of trustees

to actively pursue alternative funding to offset any reduction in funds stemming from the application of the provisions of this subsection (1). The provisions of this subsection (1) shall be null and void and of no force and effect on and after July 1, 2012 After applying the provisions of this subsection, the state department of education shall calculate the percentage of additional statewide support units to total statewide support units, and shall then reduce each school district's support units by this uniform percentage. The provisions of this subsection shall not apply to public charter schools.

- (2) Application of Support Program to Separate Schools/Attendance Units in District.
 - (a) Separate Elementary School. -- Any separate elementary school shall be allowed to participate in the educational support program as though the school were the only elementary school operated by the district.
 - (b) Hardship Elementary School. -- Upon application of the board of trustees of a school district, the state board of education is empowered to determine that a given elementary school or elementary schools within the school district, not otherwise qualifying, are entitled to be counted as a separate elementary school as defined in section 33-1001, Idaho Code, when, in the discretion of the state board of education, special conditions exist warranting the retention of the school as a separate attendance unit and the retention results in a substantial increase in cost per pupil in average daily attendance above the average cost per pupil in average daily attendance of the remainder of the district's elementary grade school pupils. An elementary school operating as a previously approved hardship elementary school shall continue to be considered as a separate attendance unit, unless the hardship status of the elementary school is rescinded by the state board of education.
 - (c) Separate Secondary School. -- Any separate secondary school shall be allowed to participate in the educational support program as though the school were the only secondary school operated by the district.
 - (d) Elementary/Secondary School Attendance Units. -- Elementary grades in an elementary/secondary school will be funded as a separate attendance unit if all elementary grades served are situated more than ten (10) miles distance from both the nearest like elementary grades within the same school district and from the location of the office of the superintendent of schools of such district, or from the office of the chief administrative officer of such district if the district employs no superintendent of schools. Secondary grades in an elementary/secondary school will be funded as a separate attendance unit if all secondary grades served are located more than fifteen (15) miles by an all-weather road from the nearest like secondary grades operated by the district.
 - (e) Hardship Secondary School. -- Any district which operated two (2) secondary schools separated by less than fifteen (15) miles, but which district was created through consolidation subsequent to legislative action pursuant to chapter 111, laws of 1947, and which school buildings were constructed prior to 1935, shall be entitled to count the schools as separate attendance units.

- (f) Minimum Pupils Required. -- Any elementary school having less than ten (10) pupils in average daily attendance shall not be allowed to participate in the state or county support program unless the school has been approved for operation by the state board of education.
- (3) Remote Schools. -- The board of trustees of any Idaho school district which operates and maintains a school which is remote and isolated from the other schools of the state because of geographical or topographical conditions may petition the state board of education to recognize and approve the school as a remote and necessary school. The petition shall be in form and content approved by the state board of education and shall provide such information as the state board of education may require. Petitions for the recognition of a school as a remote and necessary school shall be filed annually at least ninety (90) days prior to the date of the annual meeting of the board of trustees as established in section 33-510, Idaho Code.

Within forty-five (45) days after the receipt of a petition for the recognition of a remote and necessary school, the state board of education shall either approve or disapprove the petition and notify the board of trustees of its decision. Schools which the state board of education approves as being necessary and remote shall be allowed adequate funding within the support program for an acceptable educational program for the students of the school. In the case of a remote and necessary secondary school, grades 7-12, the educational program shall be deemed acceptable when, in the opinion of the state board of education, the accreditation standard relating to staff size, established in accordance with section 33-119, Idaho Code, has been met. The final determination of an acceptable program and adequate funding in the case of a remote and necessary elementary school shall be made by the state board of education.

- (4) Support Program When District Boundaries are Changed.
- (a) In new districts formed by the division of a district, the support program computed for the district, divided in its last year of operation, shall be apportioned to the new districts created by the division, in the proportion that the average daily attendance of pupils, elementary and secondary combined, residing in the area of each new district so created, is to the average daily attendance of all pupils, elementary and secondary combined, in the district divided in its last year of operation before the division.
- (b) When boundaries of districts are changed by excision or annexation of territory, the support program of any district from which territory is excised for the last year of operation before such excision shall be divided, and apportioned among the districts involved, as prescribed in paragraph (a) of this subsection.
- (c) In new districts formed by consolidation of former districts after January 1, 2007, the support program allowance, for a seven (7) year period following the formation of the new district, shall not be less than the combined support program allowances of the component districts in the last year of operation before consolidation. After the expiration of this period, the state department of education shall annually calculate the number of support units that would have been generated had the previous school districts not consolidated. All applicable state funding to the consolidated district shall then be provided based on a

support unit number that is halfway between this figure and the actual support units, provided that it cannot be less than the actual support units.

SECTION 3. That Section 33-1009, Idaho Code, be, and the same is hereby amended to read as follows:

33-1009. PAYMENTS FROM THE PUBLIC SCHOOL INCOME FUND.

- 1. a. Payments of the state general account appropriation for public school support shall be made each year by the state board of education to the public school districts of the state in five (5) payments. Payments to the districts shall be made not later than the fifteenth day of August, the first day of October, the fifteenth day of November, the fifteenth day of February, and the fifteenth day of May each year. The first two (2) payments by the state board of education shall be approximately thirty percent (30%) of the total general account appropriation for the fiscal year, while the third, fourth and fifth payments shall be approximately twenty percent (20%), ten percent (10%) and ten percent (10%), respectively. Amounts apportioned due to a special transfer to the public school income fund to restore or reduce a deficiency in the prior year's transfer pursuant to subsection 4. of this section shall not be subject to this limitation.
- b. Payments of moneys, other than the state general account appropriation, that accrue to the public school income fund shall be made by the state board of education to the school districts of the state on the fifteenth day of November, February, May and July each year. The total amount of such payments shall be determined by the state department of education and shall not exceed the amount of moneys available and on deposit in the public school income fund at the time such payment is made.
- c. Amounts apportioned due to a special transfer to the public school income fund to restore or reduce a deficiency in the prior year's transfer pursuant to subsection 4. of this section shall not be subject to the limitation imposed by paragraphs a. and b. of this subsection.
- 2. Payments made to the school districts in August, October and November are advance payments for the current year and $\frac{1}{\text{may}}$ be based upon payments from the public school income fund for the preceding school year. Each school district $\frac{1}{\text{may}}$ receive its proportionate share of the advance payments in the same ratio that its total payment for the preceding year was to the total payments to all school districts for the preceding year.
- 3. No later than the fifteenth day of February in each year, the state department of education shall compute the state distribution factor based on the total average daily attendance through the first Friday in November. The factor will be used in payments of state funds in February and May. Attendance shall be reported in a format and at a time specified by the state department of education.

As of the thirtieth day of June of each year the state department of education shall determine final payments to be made on July fifteenth next succeeding to the several school districts from the public school income fund for the school year ended June 30. The July payments shall take into consideration:

- a. the average daily attendance of the several school districts for the twenty-eight (28) best weeks of the school year completed not later than the thirtieth of June,
- b. all funds available in the public school income fund for the fiscal year ending on the thirtieth of June,
- c. all payments distributed for the current fiscal year to the several school districts,
- d. the adjustment based on the actual amount of discretionary funds per support unit required by the provisions of section 33-1018, Idaho Code,
- e. payments made or due for the transportation support program and the exceptional education support program. The state department of education shall apportion and direct the payment to the several school districts the moneys in the public school income fund in each year, taking into account the advance made under subsection 2. of this section, in such amounts as will provide in full for each district its support program, and not more than therefor required, and no school district shall receive less than fifty dollars (\$50.00).
- 4. If the full amount appropriated to the public school income fund from the general account by the legislature is not transferred to the public school income fund by the end of the fiscal year, the deficiency resulting therefrom shall either be restored or reduced through a special transfer from the general account in the first sixty (60) days of the following fiscal year, or shall be calculated in computing district levies, and any additional levy shall be certified by the state superintendent of public instruction to the board of county commissioners and added to the district's maintenance and operation levy. If the deficiency is restored or reduced by special transfer, the amount so transferred shall be in addition to the amount appropriated to be transferred in such following fiscal year, and shall be apportioned to each school district in the same amount as each would have received had the transfer been made in the year the deficiency occurred. The state department of education shall distribute to the school district the full amount of the special transfer as soon as practical after such transfer is made. In making the levy computations required by this subsection the state department of education shall take into account and consider the full amount of money receipted into the public school income fund from all sources for the given fiscal year. Deficits in the transfer of the appropriated amount of general account revenue to the public school income fund shall be reduced by the amount, if any, that the total amount receipted from other sources into the public school income fund exceeds the official estimated amount from those sources. The official estimate of receipts from other sources shall be the total amount stated by the legislature in the appropriation bill. The provisions of this subsection shall not apply to any transfers to or from the public education stabilization fund.
- 5. Any apportionments in any year, made to any school district, which may within the succeeding three (3) year period be found to have been in error either of computation or transmittal, may be corrected during the three (3) year period by reduction of apportionments to any school district to which over-apportionments may have been made or received, and corresponding additions to apportionments to any school district to which under-apportionments may have been made or received.