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IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 206

BY EDUCATION COMMITTEE

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1	AN ACI
2	RELATING TO PUBLIC CHARTER SCHOOLS; AMENDING SECTION 33-1002, IDAHO CODE, TO
3	REVISE PROVISIONS RELATING TO STATE SUPPORT OF SPECIAL PROGRAMS; AMEND-
4	ING SECTION 33-5208, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE, TO
5	ESTABLISH PROVISIONS RELATING TO THE DISTRIBUTION OF FACILITIES FUNDS
6	TO PUBLIC CHARTER SCHOOLS, TO PROVIDE FOR THE USE OF FUNDS, TO PROVIDE
7	FOR A CALCULATION, TO PROVIDE FOR A REIMBURSEMENT CLAIM, TO DEFINE A
8	TERM AND TO ESTABLISH PROVISIONS RELATING TO AN AUTHORIZER FEE; AMEND-
9	ING CHAPTER 52, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION
10	33-5214, IDAHO CODE, TO ESTABLISH THE PUBLIC CHARTER SCHOOL AUTHORIZERS
11	FUND, TO PROVIDE FOR THE DEPOSIT OF CERTAIN MONEYS AND TO PROVIDE FOR THE
12	USE OF SUCH MONEYS; AND AMENDING SECTION 33-1619, IDAHO CODE, TO PROVIDE
13	CORRECT CODE REFERENCES.

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 expenditure as provided by the public school technology program;
- (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 charter school facilities funds and reimbursements paid pursuant to section 33-5208(5), Idaho Code;
- (m) 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
- (\underline{mn}) 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.

- (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

32	Average Daily		
33	Attendance	Attendance Divisor	Units Allowed
34	41 or more	40	1 or more as computed
35	31 - 40.99 ADA		1
36	26 - 30.99 ADA		.85
37	21 - 25.99 ADA		.75
38	16 - 20.99 ADA		. 6
39	8 - 15.99 ADA		.5
40	1 - 7.99 ADA		count as elementary

COMPUTATION OF ELEMENTARY SUPPORT UNITS 1 2 Average Daily Minimum Units Attendance 3 Attendance Divisor Allowed 300 or more ADA..... .. 15 ..23...grades 4,5 & 6.... 5 ..22...grades 1, 2 & 3....1994-95 6 ..21...grades 1,2 & 3....1995-96 ..20...grades 1, 2 & 3....1996-97 8 and each year thereafter. 160 to 299.99 ADA... 10 110 to 159.99 ADA... 11 71.1 to 109.99 ADA... 16.....4.7 51.7 to 71.0 ADA... 13 33.6 to 51.6 ADA... 14 16.6 to 33.5 ADA... 15 1.0 to 16.5 ADA... 16 n/a....1.0 17 COMPUTATION OF SECONDARY SUPPORT UNITS 18 Average Daily Minimum Units Attendance 19 Attendance Divisor Allowed 20 750 or more 400 - 749.99 ADA.... 21 16......28 300 - 399.99 ADA.... 22 200 - 299.99 ADA.... 23 100 - 199.99 ADA.... 24 99.99 or fewer 25 Units allowed as follows: Grades 7-12 26 Grades 9-12 27 Grades 7-9 28 Grades 7-8 29 1 per 16 ADA COMPUTATION OF EXCEPTIONAL EDUCATION SUPPORT UNITS 30 Average Daily 31 Minimum Units Attendance 32 Attendance Divisor Allowed 14 or more 33 14.5.....1 or more as computed 34 12 - 13.99.... 35 8 - 11.99.... 36

1 2	4 - 7.99 1 - 3.99		
3	COMPUTATION OF	ALTERNATIVE SCHOOL SECONDARY SUPPORT	UNITS
<i>4</i> 5	Pupils in Attendance	Attendance Divisor	Minimum Units Allowed
5 7	12 or more	12	1 or more as

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.
 - (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 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, subsec-

 tion (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 33-5208, Idaho Code, be, and the same is hereby amended to read as follows:

33-5208. PUBLIC CHARTER SCHOOL FINANCIAL SUPPORT. Except as provided in subsection (\$10) of this section, from the state educational support program the state department of education shall make the following apportionment to each public charter school for each fiscal year based on attendance figures submitted in a manner and time as required by the department of education:

(1) Per student support. Computation of support units for each public charter school shall be calculated as if it were a separate school according to the schedules in section 33-1002(4), Idaho Code, except that public charter schools with fewer than one hundred (100) secondary ADA shall use a divisor of twelve (12) and the minimum units shall not apply, and no public charter school shall receive an increase in support units that exceeds the support units it received in the prior year by more than thirty (30). Funding from the state educational support program shall be equal to the total distribution factor, plus the salary-based apportionment provided in chapter 10, title 33, Idaho Code. Provided however, any public charter school that is formed by the conversion of an existing traditional public school shall be assigned divisors, pursuant to section 33-1002, Idaho Code, that are no lower than the divisors of the school district in which the traditional public school is located, for each category of pupils listed.

(2) Special education. For each student enrolled in the public charter school who is entitled to special education services, the state and federal funds from the exceptional child education program for that student that would have been apportioned for that student to the school district in which the public charter school is located.

- (3) Alternative school support. Public charter schools may qualify under the provisions of sections 33-1002 and 33-1002C, Idaho Code, provided the public charter school meets the necessary statutory requirements, and students qualify for attendance at an alternative school as provided by rule of the state board of education.
- (4) Transportation support. Support shall be paid to the public charter school as provided in chapter 15, title 33, Idaho Code, and section 33-1006, Idaho Code. Each public charter school shall furnish the department with an enrollment count as of the first Friday in November, of public charter school students who are eligible for reimbursement of transportation costs under the provisions of this subsection and who reside more than one and one-half (1 1/2) miles from the school. The state department of education is authorized to include in the annual appropriation to the charter school sixty percent (60%) of the estimated transportation cost. The final appropriation payment in July shall reflect reimbursements of actual costs pursuant to section 33-1006, Idaho Code. To be eligible for state reimbursement under the provisions of section 33-1006, Idaho Code, the student to be transported must reside within the public charter school's primary attendance area, and must meet at least one (1) of the following two (2) criteria:
 - (a) The student resides within the school district in which the public charter school is physically located; or
 - (b) The student resides within fifteen (15) miles of the public charter school, by road.

The limitations placed by this subsection on the reimbursement of transportation costs for certain students shall not apply to public virtual schools.

(5) Facilities funds. The state department of education shall distribute facilities funds to public charter schools for each enrolled student in which a majority of the student's instruction is received at a facility that is owned or leased by the public charter school. Such funds shall be used to defray the purchase, fee, loan or lease costs associated with payments for real property used by the students or employees of the public charter school for educational or administrative purposes. Such funds shall be distributed from the moneys appropriated to the educational support program, and shall be calculated as a percentage of the statewide average amount of bond and plant facility funds levied per student by Idaho school districts, as follows:

Fiscal Year 2014 Twenty Percent (20%)
Fiscal Year 2015 Thirty Percent (30%)

For fiscal year 2016 and each fiscal year thereafter, this percentage shall increase by ten percent (10%) each time the total appropriation of state funds for the educational support program increases by three percent (3%) or more over the prior fiscal year, and shall decrease by ten percent (10%) each time the total appropriation of state funds for the educational

support program decreases as compared to the prior fiscal year. Provided however, that the percentage shall be no less than twenty percent (20%) and no greater than fifty percent (50%).

For those public charter schools that do not receive facilities funds for all enrolled students, the school may submit to the state department of education a reimbursement claim for any costs for which facilities funds may be used. The state department of education shall reduce such claim by the greater of fifty percent (50%) or the percentage of the school's enrolled students for which the school receives facilities funds, and shall pay the balance. Provided however, that the total reimbursements paid to a public charter school, in combination with any facilities stipend received by the school, shall not exceed the amount of facilities funds that would have been received by the school had the school received facilities funds for all enrolled students. For the purposes of this subsection, the term "real property" shall be used as defined in section 63-201, Idaho Code.

- (6) Payment schedule. The state department of education is authorized to make an advance payment of twenty-five percent (25%) of a public charter school's estimated annual apportionment for its first year of operation, and each year thereafter, provided the public charter school has an increase of student population in any given year of twenty (20) students or more, to assist the school with initial start-up costs or payroll obligations.
 - (a) For a public charter school to receive the advance payment, the school shall submit its anticipated fall membership for each grade level to the state department of education by June 1.
 - (b) Using the figures provided by the public charter school, the state department of education shall determine an estimated annual apportionment from which the amount of the advance payment shall be calculated. Advance payment shall be made to the school on or after July 1 but no later than July 31.
 - (c) All subsequent payments, taking into account the one-time advance payment made for the first year of operation, shall be made to the public charter school in the same manner as other traditional public schools in accordance with the provisions of section 33-1009, Idaho Code.

A public charter school shall comply with all applicable fiscal requirements of law, except that the following provisions shall not be applicable to public charter schools: that portion of section 33-1004, Idaho Code, relating to reduction of the administrative and instructional staff allowance when there is a discrepancy between the number allowed and the number actually employed; and section 33-1004E, Idaho Code, for calculation of district staff indices.

- (67) Nothing in this chapter shall be construed to prohibit any private person or organization from providing funding or other financial assistance to the establishment or operation of a public charter school.
- (8) Each public charter school shall pay an authorizer fee to its authorized chartering entity, to defray the cost of monitoring, evaluation and oversight. Provided however, that each public charter school's board of directors may direct up to ten percent (10%) of the calculated fee to pay membership fees to an organization or association that provides technical assistance, training and advocacy for Idaho public charter schools. Such fee shall be paid by February 15 of each fiscal year and shall be the greater of:

(a) All state funds distributed to public schools on a support unit basis for the prior fiscal year, divided by the statewide number of public school students in average daily attendance in the first reporting period in the prior fiscal year; or

(b) The lesser of:

- (i) The result of the calculation in subsection (8) (a) of this section, multiplied by four (4); or
- (ii) One and one-half percent (1.5%) of the result of the calculation in subsection (8) (a) of this section, multiplied by the public charter school's average daily attendance in the first reporting period in the current fiscal year.
- (79) Nothing in this chapter shall prevent a public charter school from applying for federal grant moneys.
 - $(\frac{810}{})$ (a) Each student in attendance at a public virtual school shall be funded based upon either the actual hours of attendance in the public virtual school on a flexible schedule, or the percentage of coursework completed, whichever is more advantageous to the school, up to the maximum of one (1) full-time equivalent student.
 - (b) All federal educational funds shall be administered and distributed to public charter schools, including public virtual schools, that have been designated by the state board of education as a local education agency (LEA), as provided in section 33-5203(7), Idaho Code.
- (911) Nothing in this section prohibits separate face-to-face learning activities or services.
- $(1\theta 2)$ The provisions of section 33-1021, Idaho Code, shall apply to public charter schools provided for in this chapter.
- SECTION 3. That Chapter 52, Title 33, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 33-5214, Idaho Code, and to read as follows:
- 33-5214. PUBLIC CHARTER SCHOOL AUTHORIZERS FUND. There is hereby created in the state treasury a fund to be known as the "Public Charter School Authorizers Fund," hereinafter referred to as "the fund." All authorizer fees paid pursuant to section 33-5208(8), Idaho Code, for public charter schools under the governance of the public charter school commission shall be deposited in the fund. Moneys in the fund shall be appropriated to defray the commission's cost of operations and the state department of education's cost of reviewing, approving and overseeing any charter school authorizers requiring department approval.
- SECTION 4. That Section 33-1619, Idaho Code, be, and the same is hereby amended to read as follows:
- 33-1619. VIRTUAL EDUCATION PROGRAMS. School districts may offer instruction in the manner described for a virtual school in section 33-5202A, Idaho Code. For programs meeting such definition, the school district may count and report the average daily attendance of the program's students in the manner prescribed in section 33-5208 ($\frac{810}{2}$), Idaho Code. School districts may also offer instruction that is a blend of virtual and traditional instruction. For such blended programs, the school district may count and re-

port the average daily attendance of the program's students in the manner prescribed in section 33-5208(810), Idaho Code. Alternatively, the school district may count and report the average daily attendance of the blended program's students in the same manner as provided for traditional programs of instruction, for the days or portions of days in which such students attend a physical public school. For the balance of days or portions of days, average daily attendance may be counted in the manner prescribed in section 33-5208(810), Idaho Code.