

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 256

BY EDUCATION COMMITTEE

AN ACT

1 RELATING TO PUBLIC SCHOOLS; AMENDING SECTION 33-1006, IDAHO CODE,
 2 TO REVISE PROVISIONS RELATING TO THE TRANSPORTATION SUPPORT
 3 PROGRAM, TO PROVIDE FOR THE ELIMINATION OF STATE REIMBURSEMENT
 4 FOR CERTAIN COSTS, TO REVISE STATE REIMBURSEMENT FOR CERTAIN
 5 COSTS, TO REVISE PROVISIONS RELATING TO THE CALCULATION FOR
 6 REIMBURSEMENT, TO REVISE PROVISIONS RELATING TO QUALIFYING AS A
 7 HARDSHIP, TO DELETE A LOAN PROVISION, TO PROVIDE THAT THE STATE
 8 DEPARTMENT OF EDUCATION SHALL CALCULATE CERTAIN FUNDS LOST,
 9 TO PROVIDE FOR DISTRIBUTIONS TO SCHOOL DISTRICTS AND PUBLIC
 10 CHARTER SCHOOLS AND TO PROVIDE FOR THE USE OF DISTRIBUTIONS;
 11 AND AMENDING SECTION 33-5208, IDAHO CODE, TO REVISE PROVISIONS
 12 RELATING TO A CERTAIN APPROPRIATION FOR PUBLIC CHARTER SCHOOLS
 13 AND TO REVISE PROVISIONS RELATING TO REIMBURSEMENT FOR PUBLIC
 14 CHARTER SCHOOL TRANSPORTATION COSTS.
 15

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

17 SECTION 1. That Section 33-1006, Idaho Code, be, and the same is hereby amended to
 18 read as follows:

19 33-1006. TRANSPORTATION SUPPORT PROGRAM. (1) The state board of
 20 education shall determine what costs of transporting pupils, including maintenance, operation
 21 and depreciation of basic vehicles, insurance, payments under contract with other public
 22 transportation providers whose vehicles used to transport pupils comply with federal transit
 23 administration regulations, "bus testing," 49 C.F.R. part 665, and any revision thereto, as
 24 provided in subsection (4)(d) of this section, or other state department of education approved
 25 private transportation providers, salaries of drivers, and any other costs, shall be allowable
 26 in computing the transportation support program of school districts. Provided however, that
 27 the only miles for which costs may be reimbursed, shall be those directly associated with
 28 transporting students for the purposes of regular school attendance during regular days and
 29 hours.

30 (2) Any costs associated with the addition of vehicle features that are not part of the
 31 basic vehicle shall not be allowable in computing the transportation support program of school
 32 districts. A basic vehicle is hereby defined as the cost of the vehicle without optional features,
 33 plus the addition of essential safety features and features necessary for the transportation of
 34 pupils with disabilities.

35 (3) Each school district shall maintain records and make reports as are required for the
 36 purposes of this section.

37 (4) The transportation support program of a school district shall be based upon the
 38 allowable costs of:

- 1 (a) Transporting public school pupils one and one-half (1 1/2) miles or more to school;
 2 (b) Transporting pupils less than one and one-half (1 1/2) miles as provided in section
 3 33-1501, Idaho Code, when approved by the state board of education;
 4 (c) The costs of payments when transportation is not furnished, as provided in section
 5 33-1503, Idaho Code;
 6 (d) The transportation program for grades six (6) through twelve (12), upon the costs
 7 of payments pursuant to a contract with other public or private transportation providers
 8 entered into as provided in section 33-1510, Idaho Code, if the school district establishes
 9 that the reimbursable costs of transportation under the contract are equal to or less than
 10 the costs for school buses;
 11 ~~(e) The costs of providing transportation to and from approved school activities as may~~
 12 ~~be approved by rules of the state board of education;~~
 13 ~~(f) The employer's share of contributions to the public employee retirement system and~~
 14 ~~to social security.~~

15 (5) The state's share of the transportation support program shall be ~~eighty five~~ fifty
 16 percent (~~85~~50%) of reimbursable transportation costs of the district incurred during the
 17 immediately preceding state fiscal year, except for the cost of state department of education
 18 training and fee assessments and bus depreciation and maintenance, for which the state's
 19 share shall be eighty-five percent (85%) of such costs. For school districts that contract for
 20 pupil transportation services, the state's share shall be the average state share of costs for
 21 district-run operations, based on the statewide total of such costs. Provided however, that the
 22 reimbursable costs ~~do~~ for any school district shall not exceed one hundred three percent (103%)
 23 of the statewide average reimbursable cost per mile or the state average reimbursable cost per
 24 student rider, whichever is more advantageous to the school district, unless the school district
 25 has a population density of more than twenty (20) enrolled students per square mile, in which
 26 case the cost per student rider shall be used. If a school district's costs exceed the one hundred
 27 three percent (103%) limit when computed by the more advantageous of the two (2) methods,
 28 if applicable, that school district shall be reimbursed at ~~eighty five~~ the appropriate percentage
 29 designated by this subsection, multiplied by (~~85~~50%) of the maximum limit for whichever method
 30 is more favorable to the school district, if applicable. For school districts with a population
 31 density of more than twenty (20) enrolled students per square mile, and public charter schools
 32 physically located within such districts, such calculation shall be based on one hundred three
 33 percent (103%) of the statewide reimbursable cost per student rider. A school district may
 34 appeal the application of the one hundred three percent (103%) limit on reimbursable costs to
 35 the state board of education, which may establish for that district a new percentile limit for
 36 reimbursable costs compared to the statewide average, which is higher than one hundred three
 37 percent (103%). In doing so, the state board of education may set a new limit that is greater
 38 than one hundred three percent (103%), but is less than the percentile limit requested by the
 39 school district. However, the percentage increase in the one hundred three percent (103%) cap
 40 shall not exceed the percentage of the district's bus runs that qualify as a hardship bus run,
 41 pursuant to this subsection. Any costs above the new level established by the state board of
 42 education shall not be reimbursed. Such a change shall only be granted by the state board of
 43 education for hardship bus runs. To qualify as a hardship bus run, such bus run shall ~~display~~
 44 ~~uniquely difficult geographic circumstances and~~ meet at least two (2) of the following criteria:

- 45 (a) The number of student riders per mile is less than fifty percent (50%) of the statewide
 46 average number of student riders per mile;

1 (b) Less than a majority of the miles on the bus run are by paved surface, concrete or
2 asphalt, road;

3 (c) Over ten percent (10%) of the miles driven on the bus run are a five percent (5%)
4 slope or greater.

5 The legislative audits section of the legislative services office shall review cap increases granted
6 by the state board of education pursuant to this section, and shall include findings in the board's
7 regular audit report for any instances in which such increases failed to meet the standards set
8 forth in this subsection.

9 ~~(6) School districts that are unable to absorb the impact of the limitation on reimbursable
10 expenses, through either efficiencies or the utilization of fund balances, may apply to the state
11 board of education to receive a loan of moneys, not to exceed the amount of state funds lost
12 through the application of the limitation on reimbursable expenses, from the public education
13 stabilization fund. Any school district receiving such a loan shall cause its reimbursement of
14 state transportation moneys to be reduced by a like amount in the subsequent fiscal year, and
15 the moneys so reduced shall be deposited in the public education stabilization fund.~~

16 ~~(7)~~ Beginning on July 1, 2005, any eligible home-based public virtual school may claim
17 transportation reimbursement for the prior fiscal year's cost of providing educational services
18 to students. In order to be eligible, such a school shall have at least one (1) average daily
19 attendance divisor, pursuant to section 33-1002, Idaho Code, that is greater than the median
20 divisor shown for any category of pupils, among the actual divisors listed. For the purposes of
21 paragraphs (a), (b) and (c) of this subsection ~~(7)(6)~~, "education provider" means the home-based
22 public virtual school or an entity that has legally contracted with the home-based public virtual
23 school to supply education services. Reimbursable costs shall be limited to the costs of:

24 (a) Providing an internet connection service between the student and the education
25 provider, not including the cost of telephone service;

26 (b) Providing electronic and computer equipment used by the student to transmit
27 educational material between the student and the education provider;

28 (c) Providing a toll-free telephone service for students to communicate with the
29 education provider;

30 (d) Providing education-related, face-to-face visits by representatives of the home-based
31 public virtual school, with such reimbursements limited to the mileage costs set for state
32 employee travel by the state board of examiners; and

33 (e) Any actual pupil transportation costs that would be reimbursable if claimed by a
34 school district.

35 The total reimbursement for such home-based public virtual schools shall be exempt from the
36 statewide average cost per mile limitations of this section. The state's share of reimbursable
37 costs shall be eighty-five percent (85%), subject to the statewide cost per student rider
38 provisions of this section. For the purposes of such home-based public virtual school, the
39 number of student riders shall be the same as the number of pupils in average daily attendance.

40 (7) The state department of education shall calculate the amount of state funds lost in
41 fiscal year 2010 by each school district as a result of the decrease in the state reimbursement
42 from eighty-five percent (85%) to fifty percent (50%) of certain eligible costs, including the
43 reduction calculated for districts that contract for pupil transportation services, and excluding
44 any reductions made due to the limitation on reimbursable expenses, all pursuant to subsection
45 (5) of this section. The amount so calculated shall be distributed to each school district in fiscal

1 year 2010. For each fiscal year thereafter, the amount distributed pursuant to this subsection (7)
 2 for each school district shall be determined as follows:

3 (a) Divide the amount distributed to the district pursuant to this subsection (7) in fiscal
 4 year 2010 by the district's support units for fiscal year 2010;

5 (b) Multiply the result of the calculation found in subsection (7)(a) of this section by the
 6 number of support units in the current fiscal year;

7 (c) Determine the percentage change in statewide transportation reimbursements as
 8 provided for in subsection (5) of this section since fiscal year 2010;

9 (d) Determine the percentage change in statewide student enrollment since fiscal year
 10 2010;

11 (e) Subtract the result of the calculation found in subsection (7)(d) of this section from
 12 the result of the calculation found in subsection (7)(c) of this section;

13 (f) Adjust the result of the calculation found in subsection (7)(b) of this section by the
 14 percentage result from subsection (7)(e) of this section.

15 For school districts divided after fiscal year 2010, the calculation in subsection (7)(a) of
 16 this section shall still be based on the fiscal year 2010 figures for the formerly consolidated
 17 district. For public charter schools beginning operations on or after July 1, 2009, all
 18 calculations in this subsection (7) that are based on fiscal year 2010 shall instead be based on
 19 the public charter school's first fiscal year of operations. For the purposes of this subsection
 20 (7), the support units used shall be the number used for calculating salary-based apportionment.
 21 Funds distributed pursuant to this subsection (7) shall be used to defray the cost of pupil
 22 transportation. If the amount distributed is in excess of a school district's actual pupil
 23 transportation costs, less any state reimbursements provided by subsection (5) of this section,
 24 the excess funds may be used at the school district's discretion.

25 SECTION 2. That Section 33-5208, Idaho Code, be, and the same is hereby amended to
 26 read as follows:

27 33-5208. PUBLIC CHARTER SCHOOL FINANCIAL SUPPORT. Except as provided
 28 in subsection (8) of this section, from the state educational support program the state
 29 department of education shall make the following apportionment to each public charter school
 30 for each fiscal year based on attendance figures submitted in a manner and time as required by
 31 the department of education:

32 (1) Per student support. Computation of support units for each public charter school
 33 shall be calculated as if it were a separate school according to the schedules in section
 34 33-1002(4), Idaho Code, except that public charter schools with fewer than one hundred
 35 (100) secondary ADA shall use a divisor of twelve (12) and the minimum units shall not
 36 apply, and no public charter school shall receive an increase in support units that exceeds the
 37 support units it received in the prior year by more than thirty (30). Funding from the state
 38 educational support program shall be equal to the total distribution factor, plus the salary-based
 39 apportionment provided in chapter 10, title 33, Idaho Code. Provided however, any public
 40 charter school that is formed by the conversion of an existing traditional public school shall be
 41 assigned divisors, pursuant to section 33-1002, Idaho Code, that are no lower than the divisors
 42 of the school district in which the traditional public school is located, for each category of
 43 pupils listed.

44 (2) Special education. For each student enrolled in the public charter school who is
 45 entitled to special education services, the state and federal funds from the exceptional child

1 education program for that student that would have been apportioned for that student to the
2 school district in which the public charter school is located.

3 (3) Alternative school support. Public charter schools may qualify under the provisions
4 of sections 33-1002 and 33-1002C, Idaho Code, provided the public charter school meets the
5 necessary statutory requirements, and students qualify for attendance at an alternative school as
6 provided by rule of the state board of education.

7 (4) Transportation support. Support shall be paid to the public charter school as provided
8 in chapter 15, title 33, Idaho Code, and section 33-1006, Idaho Code. Each public charter
9 school shall furnish the department with an enrollment count as of the first Friday in November,
10 of public charter school students living who are eligible for reimbursement of transportation
11 costs under the provisions of this subsection and who reside more than one and one-half (1 1/2)
12 miles from the school. For charter schools in the initial year of operation, the petition shall
13 include a proposal for transportation services with an estimated first year cost. The state
14 department of education is authorized to include in the annual appropriation to the charter
15 school ~~eighty six~~ percent (~~86~~%) of the estimated transportation cost. The final appropriation
16 payment in July shall reflect ~~eighty five~~ percent (~~85~~%) of the actual cost reimbursements of
17 actual costs pursuant to section 33-1006, Idaho Code. To be eligible for state reimbursement
18 under the provisions of section 33-1006, Idaho Code, the student to be transported must reside
19 within the public charter school's attendance zone, and must meet at least one (1) of the
20 following two (2) criteria:

21 (a) The student resides within the school district in which the public charter school is
22 physically located; or

23 (b) The student resides within fifteen (15) miles of the public charter school, by road.

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

26 (5) Payment schedule. The state department of education is authorized to make an
27 advance payment of twenty-five percent (25%) of a public charter school's estimated annual
28 apportionment for its first year of operation, and each year thereafter, provided the public
29 charter school has an increase of student population in any given year of twenty (20) students
30 or more, to assist the school with initial start-up costs or payroll obligations.

31 (a) For a state public charter school to receive the advance payment, the school shall
32 submit its anticipated fall membership for each grade level to the state department of
33 education by June 1.

34 (b) Using the figures provided by the public charter school, the state department of
35 education shall determine an estimated annual apportionment from which the amount of
36 the advance payment shall be calculated. Advance payment shall be made to the school
37 on or after July 1 but no later than July 31.

38 (c) All subsequent payments, taking into account the one-time advance payment made for
39 the first year of operation, shall be made to the public charter school in the same manner
40 as other traditional public schools in accordance with the provisions of section 33-1009,
41 Idaho Code.

42 A public charter school shall comply with all applicable fiscal requirements of law, except that
43 the following provisions shall not be applicable to public charter schools: section 33-1003B,
44 Idaho Code, relating to guaranteed minimum support; that portion of section 33-1004, Idaho
45 Code, relating to reduction of the administrative and instructional staff allowance when there

1 is a discrepancy between the number allowed and the number actually employed; and section
2 33-1004E, Idaho Code, for calculation of district staff indices.

3 (6) Nothing in this chapter shall be construed to prohibit any private person or
4 organization from providing funding or other financial assistance to the establishment or
5 operation of a public charter school.

6 (7) Nothing in this chapter shall prevent a public charter school from applying for federal
7 grant moneys.

8 (8) (a) For the period July 1, 2003, through June 30, 2005, all public virtual schools
9 shall be assigned divisors, pursuant to section 33-1002, Idaho Code, that are no higher
10 than the median divisor shown for each respective category of pupils, among the possible
11 divisors listed, for each respective category of pupils that contains more than one (1)
12 divisor. If there is an even number of possible divisors listed for a particular category of
13 pupils, then the lesser of the two (2) median divisors shall be used. For the period July
14 1, 2005, through June 30, 2007, all public virtual schools shall be assigned divisors,
15 pursuant to section 33-1002, Idaho Code, that are no higher than the second highest
16 divisor shown, among the possible divisors listed, for each respective category of pupils
17 that contains more than one (1) divisor. The divisor provisions contained herein shall
18 only be applicable to the number of pupils in average daily attendance in such public
19 virtual schools for the period July 1, 2003, through June 30, 2004. If the number of
20 pupils in average daily attendance in any particular category of pupils increases, during
21 the period July 1, 2004, through June 30, 2005, to a number above that which existed
22 in the prior fiscal year, then those additional pupils in average daily attendance shall be
23 assigned the divisor, pursuant to section 33-1002, Idaho Code, that would have otherwise
24 been assigned to the school district or public charter school had this section not been in
25 force.

26 (b) Each student in attendance at a public virtual school shall be funded based upon
27 either the actual hours of attendance in the public virtual school on a flexible schedule, or
28 the percentage of coursework completed, whichever is more advantageous to the school,
29 up to the maximum of one (1) full-time equivalent student.

30 (c) All federal educational funds shall be administered and distributed to public charter
31 schools, including public virtual schools, that have been designated by the state board of
32 education as a local education agency (LEA), as provided in section 33-5203(7), Idaho
33 Code.

34 (9) Nothing in this section prohibits separate face-to-face learning activities or services.