

MINUTES  
**JOINT FINANCE-APPROPRIATIONS COMMITTEE**

**DATE:** Monday, January 24, 2022  
**TIME:** 8:00 A.M.  
**PLACE:** Room C310  
**MEMBERS:** Senators Co-chairman Agenbroad, Crabtree, VanOrden(Bair), Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye  
Representatives Co-chairman Youngblood, Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash  
**ABSENT/  
EXCUSED:** Senator Woodward

**Co-chairman Youngblood** called the meeting to order at 8:00 a.m.

**Mr. Kurt Liebich**, President of the State Board of Education (ISBE), presented an overview of the agency. Mr. Liebich stated Idaho is now in the third academic year of the Covid pandemic. The Board prioritized in-person learning while trying to preserve the health and safety of the community.

**Mr. Liebich** described the strength of the public school system and emphasized its role as the backbone to Idaho's booming economy. He also acknowledged areas of underperformance and stated the need to focus on incremental, measurable improvements.

In 2021, in response to concerns about possible bias and allegations of indoctrination, the Board of Education commissioned a scientific survey sent to 55K graduate and undergraduate students at all eight public colleges and universities. A supermajority of students across all institutions, class levels, and political leanings feel valued, respected, and have a sense of belonging at their respective institutions.

**Mr. Liebich** stated higher education institutions must balance their own budgets every year and only have a few sources of funding; he cited the structural inflationary pressures the institutions face in the current economy. Mr. Liebich further emphasized the overall impact the institutions and their graduates have on the state economy.

In response to committee questions, **Mr. Liebich** agreed there were significant improvements needed in reading proficiency and graduation rates. He reviewed the cuts made to education during the Great Recession and noted funding levels had only recently returned to prior levels.

**Mr. Liebich** explained the Board's areas of focus: ensuring school districts have what they need to recover from the global pandemic, supporting school districts as they deal with significant rapid growth, supporting strong and healthy higher education as a critical component of Idaho's economy, and addressing the inequity between urban and rural school districts.

**Ms. Janet Jessup**, Senior Analyst, LSO Budget & Policy Analysis, presented an overview of the Office of the State Board of Education (OSBE). OSBE provides professional staff and support for the State Board's policies and directives. It is comprised of three distinctly budgeted programs including OBSE Administration, IT & Data Management, and the Office of School Safety and Security.

**Mr. Matt Freeman**, Executive Director, OBSE, reviewed some of the department's recent accomplishments and reported the results of the FY 2022 appropriation requests. OBSE hired a Deputy Director; the Office of School Safety and Security was transferred into OBSE; the Public Charter School Commission was transitioned out. Mr. Freeman noted the appropriation included three required independent evaluations; while OBSE completed the literacy intervention program and the dual credit evaluation, they did not have sufficient funds to complete the career ladder evaluation.

**Mr. Freeman** explained the FY 2022 supplemental requests. The agency requests a one-time supplemental appropriation for additional office space to house incoming staff; this becomes an annualized line item in the FY 2023 budget. The agency also requests a one-time supplemental appropriation to expand rural K-12 access to fine and performing arts and to design course offerings in rural public elementary, middle, and high schools, as well as funding to support the establishment or improvements to co-curricular or extra-curricular arts programs.

OBSE requests a one-time supplemental appropriation for a needs assessment and development of a strategic statewide engineering education plan.

**Mr. Freeman** explained OBSE's FY 2022 supplemental request for ARPA funds for Empowering Parents grants; this would also be a FY 2023 line-item request. This request includes funding for one limited-service position tied to the life of the program.

**Mr. Freeman** explained OBSE's FY 2023 budget requests, which include funding for four FTE positions. In response to a committee question, Mr. Freeman clarified the requested Chief Audit Executive position would centralize and implement consistent audit procedures and policies across all the institutions. This position might not result in cost savings but would provide better coordination and oversight of all audit activities.

**Mr. Freeman** explained the OBSE FY 2023 budget request for funds for the Governor's proposed Emergency Education Relief Fund to replace or restructure the Idaho System for Educational Excellence (ISEE). This would align with the Governor's efforts to achieve accountability and transparency for schools around funding and student achievement data and complement the State Board's efforts on the development of a public-facing K-12 data dashboard.

**Ms. Jessup** explained the Scholarships and Grants Program, which is a distinctly appropriated program within the Special Programs Division of the State Board of Education.

**Mr. Freeman** explained the FY 2023 line-item budget request for teacher training scholarships. Instructors teaching HS concurrent/dual-credit classes must meet the academic requirements for faculty instructors teaching at a post-secondary institution.

In response to committee questions, **Mr. Freeman** clarified this is not a new program, but rather a method to help teachers access existing training. **Rep. Bundy** commented several universities have difficulties finding HS instructors with advanced-level math degrees to teach concurrent classes. This program allows teachers to teach concurrent credit classes while meeting intermittent goals. This program benefits both the teachers and their students.

**Ms. Jessup** presented a five-year overview of the Idaho Public Charter School Commission (IPCSC) funding. In FY 2022, the IPCSC was appropriated for the first time as a distinctly budgeted division. Before that time, it was included in the operating budget for the Office of the State Board of Education.

**Ms. Jenn Thompson**, Director of IPCSC, gave a brief overview of the agency. The agency currently serves about 8% of publicly educated Idaho students; the number of charter schools continues to keep pace with population growth. IPCSC balances taxpayers' interests and student achievement.

**Mr. Eric Olson**, Finance Manager, IPCSC, explained the FY 2023 reappropriation request for ongoing carryover of unspent or unencumbered dedicated funds. Mr. Olson pointed out IPCSC is running a maintenance budget; their dedicated funds are significantly lower due to the redesign of the commission.

In response to committee questions, **Ms. Thompson** explained charter schools are a publicly funded educational option, open to all students. Students apply for admission and are chosen by random lottery. The specific curriculum is determined by the school's governing board; IPCSC examines test scores and financial data from annual audits to make sure the school is following its contract with the state.

**Mr. Jared Tatro**, Deputy Division Manager, LSO Budget & Policy Analysis, presented an overview of Idaho Public Television (IPTV). IPTV operates under the State Board of Education and has two functional areas: a statewide delivery system and content creation/acquisition. The General Fund supports the maintenance and administration of the statewide delivery system and IPTV's dedicated funds primarily support the content.

**Mr. Jeff Tucker**, General Manager, Idaho Public Television, reviewed the broadcast system which reaches almost 99% of Idaho's population. The contractual partnership between IPTV and Idaho Military Division increases efficiency and saves the state millions of dollars. Mr. Tucker explained 74% of IPTV's dedicated funds are private donations, and the remaining amount is comprised of annual grants from the Corporation of Public Broadcasting, a nonprofit entity funded by Congress.

**Mr. Tucker** explained IPTV is requesting appropriation approval for dedicated funds to replace equipment used to produce their local content. Based on the Governor's recommendation, IPTV is also requesting continuous appropriation authority for the expenditure of private source funding from the Miscellaneous or Dedicated Revenue Fund. This funding will be used for content-related activities. Mr. Tucker stated IPTV will still produce an internal budget. In response to committee questions, Mr. Tucker explained IPTV would maintain transparency with its budget.

In response to committee questions, **Mr. Tucker** explained why IPTV cannot reach 100% of Idaho households. Topography is the biggest challenge; current FCC guidelines mandate IPTV can only transmit in certain areas at a certain amount of power.

**Ms. Jill Randolph**, Senior Analyst, LSO Budget & Policy Analysis, gave a brief overview of the Idaho Division of Vocational Rehabilitation (IDVR). IDVR works on behalf of Idahoans with disabilities to improve the quality of the vocational rehabilitation services provided to Idaho on a fee-for-service model. IDVR is organized within and reports to the Idaho State Board of Education.

IDVR is divided into three distinct budgeted programs. Extended Employment Services (EES) provides skill development in a non-integrated setting or longterm on-the-job supports in community competitive employment for individuals with the most significant disabilities. **Ms. Randolph** explained the program's recent decreases in expenditures are likely due to Covid, with a decreased number of clients needing services.

The Vocational Rehabilitation (VR) program provides services to eligible Idahoans with disabilities to assist them transition from unemployment to gainful employment or to maintain employment. The third program, the Council for the Deaf and Hard of Hearing, ensures individuals who are deaf, hard of hearing, or hearing impaired have a centralized location to obtain resources and information about services available.

**Ms. Jane Donnellan**, Administrator, Division of Vocational Rehabilitation, explained IDVR's line-item budget request for one FTE, for a deaf and hearing program specialist. Ms. Donnellan also anticipates increased service requests as society emerges from the Covid pandemic.

**Ms. Donnellan** explained the EES program, after being codified into law in 2020, engaged with the public to include stakeholders, providers, families, and customers. As a result of that effort, IDVR is researching whether a better approach might shift this division to another agency.

**Ms. Donnellan** explained the Vocational Rehabilitation program is their division's largest program. Their mission is to ensure all individuals with disabilities can have the opportunity to participate in the workforce and employers value their contributions. Ms. Donnellan noted the VR program does not receive enough general funds for the nonfederal match portion and must rely upon other partners to capture the match requirement, which places the program at risk.

**Ms. Donnellan** described some of the successes for IDVR, which are largely found in program performance. She stated the VR program was a great return on investment; the program creates taxpayers and is a resource to help meet the workforce needs of employers.

In response to committee questions, **Ms. Donnellan** explained proposed legislation would transfer the EES program to the Department of Health & Welfare Medicaid division. The transfer would be a neutral shift in the budget. In response to further committee questions, Ms. Donnellan emphasized despite staff shortages, IDVR is requesting only one FTE position for the Council for the Deaf and Hard of Hearing.

**ADJOURN:** There being no further business to come before the committee, the meeting adjourned at 10:56 a.m.

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Representative Youngblood  
Chair

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Alyson Jackson  
Secretary