IN THE HOUSE OF REPRESENTATIVES

HOUSE CONCURRENT RESOLUTION NO. 49

BY EDUCATION COMMITTEE

A CONCURRENT RESOLUTION

STATING FINDINGS OF THE LEGISLATURE AND AUTHORIZING THE LEGISLATIVE COUNCIL TO APPOINT A COMMITTEE TO UNDERTAKE AND COMPLETE A STUDY OF THE SPECIFIC CHANGES NEEDED IN ORDER TO IMPLEMENT THE RECOMMENDATIONS OF THE PUBLIC SCHOOL FUNDING FORMULA INTERIM COMMITTEE.

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

WHEREAS, in 2016, the Idaho Legislature authorized the Public School Funding Formula Interim Committee to study the public school funding formula, which was enacted in 1994; and

WHEREAS, the Public School Funding Formula Interim Committee held five meetings around the State of Idaho between July 2016 and December 2016, and it reported preliminary recommendations to the Legislature wherein it anticipated that its work would be a multiyear project due to the complexity of the issue of public school funding; and

WHEREAS, in 2017, the Idaho Legislature adopted HCR 12 to reauthorize the Public School Funding Formula Interim Committee in order to allow it to complete its study of the public school funding formula; and

WHEREAS, in an effort to complete its study, the committee held five meetings during the interim in which it received informative presentations from state and local stakeholders and staff, learned about Idaho's accountability framework and the national picture of public school funding formula transitions, spending and student outcomes, and consulted with national experts specializing in the study of education finance who provided an analysis of Idaho public schools funding and a national perspective of funding formula options; and

WHEREAS, the committee has completed its study of Idaho's public school funding formula and, based on the information it received, advises that the state's funding formula should be changed to ensure local control and transparency, and that it be readily comprehensible, equitable and focused on improving student outcomes; and

WHEREAS, in order to carry out these changes, the committee makes the following recommendations:

- (1) Implement year five of the career ladder compensation system;
- (2) Transition the Idaho public school funding formula from counting students based on average daily attendance to counting students based on enrollment;
- (3) Revise the timing, frequency and portion amounts of payment distributions to public school districts and charter schools;
- (4) Transition the Idaho public school funding formula from a resource allocation funding formula to a student-centered funding formula that includes a base funding amount per student with weights added thereto for special populations;

(5) Provide public schools with more spending flexibility and fewer statutorily required programs and distributions;

- (6) Incorporate an accountability and fiscal transparency framework that focuses on student outcomes rather than on prescribed inputs; and
- (7) Ensure that public school districts and charter schools are held financially harmless in totality of state funds during the transition period; and

WHEREAS, each of the committee's recommendations require careful consideration as to how to implement the changes to the state's public school funding formula including, but not limited to, how and when to count students based on enrollment, fractional enrollment and students who are over one enrollment count; how to address absenteeism; when, how often and in what amount payments should be distributed to public school districts and charter schools; a base funding amount per student; weights to be added to the base funding amount, the value of such weights and whether such weights should be compounded; which statutorily prescribed program distributions should be eliminated or consolidated; and the details of the accountability framework; and

WHEREAS, it is necessary to reauthorize the committee so that it can complete a study of these and other related considerations and make further recommendations for the specific changes needed to best serve Idaho public school students within the public schools funding formula framework recommended by the committee.

NOW, THEREFORE, BE IT RESOLVED by the members of the Second Regular Session of the Sixty-fourth Idaho Legislature, the House of Representatives and the Senate concurring therein, that the Legislative Council is authorized to appoint a committee to undertake and complete a study of the specific changes needed in order to implement the recommendations of the Public School Funding Formula Interim Committee as set forth in this concurrent resolution. The Legislative Council shall determine the number of legislators and membership from each house appointed to the committee and shall authorize the committee to receive input, advice and assistance from interested and affected parties who are not members of the Legislature.

BE IT FURTHER RESOLVED that the Superintendent of Public Instruction and another member of the Idaho State Board of Education shall serve as non-legislative voting members of the interim committee.

BE IT FURTHER RESOLVED that the Legislative Services Office, the Office of the State Board of Education including the Public Charter School Commission, the State Department of Education, the Office of the Governor and the Division of Financial Management shall provide staff support to the interim committee.

BE IT FURTHER RESOLVED that, subject to approval from the President Pro Tempore of the Senate and the Speaker of the House of Representatives, the cochairs of the interim committee may retain the services of consultants or analysts who are familiar with education funding policy to provide necessary economic, financial, or other research and services that assist the interim committee and the Legislature in making informed decisions. Such consultants or analysts may be reimbursed for per diem, mileage or other expenses and may be compensated for their work.

BE IT FURTHER RESOLVED that nonlegislative members shall not be reimbursed from legislative funds for per diem, mileage or other expenses and shall not have voting privileges regarding the committee's recommendations or proposed legislation, except as otherwise specifically provided in this concurrent resolution.

BE IT FURTHER RESOLVED that the committee shall report its findings, recommendations and proposed legislation, if any, to the First Regular Session of the Sixty-fifth Idaho Legislature.