

IN THE SENATE

SENATE BILL NO. 1090

BY EDUCATION COMMITTEE

AN ACT

1 RELATING TO EDUCATION; AMENDING SECTION 33-522, IDAHO CODE, TO REVISE PROVI-  
2 SIONS RELATING TO CERTAIN CONDITIONS RELATING TO A FINANCIAL EMERGENCY,  
3 TO ESTABLISH PROVISIONS RELATING TO A DECISION TO INSTITUTE A REDUCTION  
4 IN FORCE AND TO THE SELECTION OF EMPLOYEES SUBJECT TO SUCH REDUCTION AND  
5 PROVIDING FOR A DISTRICT POLICY.  
6

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

8 SECTION 1. That Section 33-522, Idaho Code, be, and the same is hereby  
9 amended to read as follows:

10 33-522. FINANCIAL EMERGENCY. (1) Prior to declaring a financial emer-  
11 gency, the board of trustees shall hold a public meeting for the purpose of  
12 receiving input concerning possible solutions to the financial problems  
13 facing the school district.

14 (2) If the state department of education certifies that one (1) or more  
15 of the conditions in paragraph (a), (b) or (c) of this subsection are met,  
16 then the board of trustees may declare a financial emergency if it determines  
17 that the condition in paragraph (f) of this subsection is also met. Alterna-  
18 tively, the board of trustees may declare a financial emergency if it deter-  
19 mines that either of the conditions in paragraph (d) or (e) of this subsec-  
20 tion are met and the state department of education certifies that the condi-  
21 tion set forth in paragraph (f) of this subsection is also met.

22 (a) Any of the base salary multipliers in section 33-1004E, Idaho Code,  
23 are reduced by one and one-half percent (1 1/2%) or more from any prior  
24 fiscal year.

25 (b) The minimum instructional salary provision in section 33-1004E,  
26 Idaho Code, is reduced by one and one-half percent (1 1/2%) or more from  
27 any prior fiscal year.

28 (c) The amount of total general fund money appropriated per support  
29 unit is reduced by greater than three percent (3%) from the original  
30 general fund appropriation per support unit of any prior fiscal year.

31 (d) The amount of property tax revenue to be collected by the school  
32 district that may be used for any general fund purpose, with the excep-  
33 tion of any emergency levy funds, is reduced from the prior fiscal year,  
34 and the amount of said reduction represents more than five one and one-  
35 half percent (5 1/2%) of the school district's general fund budget for  
36 combined state and local revenues from the prior fiscal year.

37 (e) The school district's general fund has decreased by at least three  
38 one and one-half percent (3 1/2%) from the previous year's level due  
39 to a decrease in funding or natural disaster, but not as a result of a  
40 drop in the number of support units or the index multiplier calculated  
41 pursuant to section 33-1004A, Idaho Code, or a change in the emergency  
42 levy.

1 (f) The school district's unrestricted general fund balance, which ex-  
2 cludes funds restricted by state or federal law and considering both an-  
3 ticipated expenditures and revenue, is less than five and one-half per-  
4 cent (5 1/2%) of the school district's unrestricted general fund budget  
5 at the time the financial emergency is declared or for the fiscal year  
6 for which the financial emergency is declared.

7 (3) Upon its declaration of a financial emergency, the board of  
8 trustees shall:

9 (a) Have the power to reopen the salary and benefits compensation as-  
10 pects of the negotiated agreement, including the length of the certifi-  
11 cated employee contracts and the amount of compensation and benefits;  
12 and

13 (b) If the parties to the negotiated agreement mutually agree, reopen  
14 other matters contained within the negotiated agreement directly af-  
15 fecting the financial circumstances in the school district.

16 If the board of trustees exercises the power provided in this subsection con-  
17 sistent with the requirements of subsection (2) of this section, both the  
18 board of trustees and the local education association shall meet and confer  
19 in good faith for the purpose of reaching an agreement on such issues.

20 (4) If, after the declaration of a financial emergency pursuant to  
21 subsection (2) of this section, both parties have met and conferred in good  
22 faith and an agreement has not been reached, the board of trustees may impose  
23 its last, best offer, following the outcome of the due process hearing held  
24 pursuant to section 33-515(7), Idaho Code.

25 (5) A financial emergency declared pursuant to subsection (2) of this  
26 section shall be effective for only one (1) fiscal year at a time and shall  
27 not be declared by the board of trustees for a second consecutive year, un-  
28 less so qualified by additional reductions pursuant to the conditions listed  
29 in subsection (2) of this section.

30 (6) The time requirements of sections 33-514(2) and 33-515(2), Idaho  
31 Code, shall not apply in the event a financial emergency is declared pursuant  
32 to subsection (2) of this section.

33 (7) (a) The decision to institute a reduction in force and the selection  
34 of an employee or employees subject to such reduction shall be at the  
35 sole discretion of the board of trustees, except for the following limi-  
36 tation: The decision as to which employee or employees shall be subject  
37 to such reduction shall not be made solely on consideration of employee  
38 seniority or contract status.

39 (b) Each school district shall adopt a policy establishing an equitable  
40 method of recalling individuals subject to a reduction in force if posi-  
41 tions become available subsequent to the reduction in force.