REVENUE: Revenue statement issued FISCAL: No Fiscal Impact

Action:	Do pass with amendments; be printed engrossed and rescind the subsequent referral to Committee on Ways and Means
Vote:	7-0-2
	Yeas: Bruun, Butler, Gelser, Olson, Read, Witt, Barnhart
	Nays:
	Exc.: Berger, Rosenbaum
Prepared By:	Steve Meyer, Economist
Meeting Dates: 2/1, 6/21	

WHAT THE BILL DOES: Allows Bethel School District to contract with HomeSource as a qualified private alternative education program provider of services to qualified homeschooled students. Makes Bethel School District the resident district of qualified homeschooled students under a district contract. Requires the State Board of Education to adopt by rule a formula to determine the funding for HomeSource students. Requires HomeSource students under contract to be enrolled in specific courses that meet the academic content standards adopted by the State Board of Education. Takes effect July 1, 2007.

ISSUES DISCUSSED:

Reduced funding for HomeSource education programs HomeSource not being a charter school or typical alternative school Change in interpretation of Department rules for funding Homesource Grandfathering only HomeSource to prior application of funding rules ESD approval of Bethel School District using HomeSource

EFFECT OF COMMITTEE AMENDMENTS: Replaces the bill as described above.

BACKGROUND:

The Bethel School District requested advice from the Department of Education on how to structure and fund educational resources for homeschooled students in 1995. Based on this advice, the district contracted with HomeSource for educational programs for homeschooled students. This past year the Department changed the application of its rule based on advice from the Department of Justice. The revised rule interpretation reduces Bethel School District funding for HomeSource programs. HomeSource may choose not to continue to offer educational resources for homeschooled students with the current rule application.