

FROM THE DESK OF SENATOR STEVEN THAYN

Major Issues of the 2014 Legislative Session Health Care, Medicaid, Education, etc.

Empower People; Not Systems

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Several of my legislative colleagues dread the upcoming legislative session. Idaho faces several difficult issues which have the potential to displease special interests groups and/or the voters. This report attempts to define those issues and offer positive solutions by empowering the people with more choices and increased control over how resources are used. Letting the people control the resources (funds) is just; after all, the people created the resources in the first place. The three issues are: medical costs (ObamaCare), social services (Medicaid Expansion), and education.

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Introduction

Medical costs (ObamaCare), social services (Medicaid expansion), and education are three issues that need to be addressed in the 2014 legislative session; but, because it is an election year, many legislators will not want to address them.

These issues simply cannot be delayed. The people of Idaho face increasing medical costs and loss of health insurance that need to be resolved now. Idahoans need an alternative to Medicaid. Work needs to be done this year to establish the foundation of such an alternative. And, the governor's education task force recommended several changes to the education system the legislature needs to consider.

This report offers a few suggestions in each area. What is unique about this report is that it offers solutions to reduce medical costs, deal with Medicaid expansion, and education that gives more power to the people; giving more decision-making authority to the people will lead to improved services and reduced costs.

Several years ago, as a public school teacher, I gave my class a writing assignment which asked them to explain what they thought the term 'limited government' meant. The surprising answer was that about 30 percent of the students thought a 'limited government' meant a 'broken government'.

Their reasoning was that government has total power. They did not understand how government can be limited. The Founding Fathers' greatest challenge was to limit government.

The founders of the United States understood that whoever controls choices and controls resources; has power. The founders limited government by dividing the responsibility to make decisions and control resources between three branches of government: legislative, judicial, and executive. Then, they divided this decision making power even more dividing it between the local, state, and federal levels of government as the chart below indicates.

Three branches:	legislatives	judicial	executive
Three levels:	local	state	federal

In effect, there are nine different centers of government and decision making authority. Each has specific limited powers and limited ability to control resources (budgets and/or money).

A more accurate chart looks more like this:

Local has a legislative branch, a judicial branch, and an executive branch.

State has a legislative branch, a judicial branch, and an executive branch.

Federal has a legislative branch, a judicial branch, and an executive branch.

There is actually a fourth branch of government which is the most powerful branch of government and that is the people. The people are best represented by family units. As family units are empowered, freedom increases. Families are the most important level of government and from which all other levels of government derive their powers. Under the American system of government, government has no powers that the families did not possess in the first place. Government did not create families; families created government.

Power is a function of the number of choices being made by each level and branch of government and how many funds the different levels of government control. Whoever controls most of the funds and makes most of the choices; has most of the power.

The federal government, under the Constitution, has a few defined set of responsibilities called enumerated powers. The federal government is only to raise sufficient taxes to fulfill these limited powers. Because the responsibilities of the federal government were limited; the power of the federal government was also limited.

The great beneficiary of limited federal power was the people (families) who retained most power. When government has responsibility to make choices and control money, it is called power. If the people have the responsibility to make choices and control money, it is called freedom. Logically, if government grows in power; the people lose freedom; and conversely, if the people grow in freedom, the government loses power.

The federal government, using deficit spending, has upset the delicate balance between government power and freedom of the people. All levels of government now control 63 percent of the GDP (gross domestic product) in the United States (includes taxes, cost of regulation, and deficit spending). In 1905, this was only 8 percent of the GDP. This growth represents a great shift of power to the federal government and a loss of freedom by the people.

The consequences of growing federal power are predictable. Idahoans are increasingly becoming subject to:

- Top-down systems mandated from outside the state (ObamaCare, Common Core, Medicaid)
- One-size-fits-all system designed by experts
- Decisions made by experts
- Experts and policy makers controlling how resources are used
- High cost of programs (increasing cost of medical care under ObamaCare for example)
- High taxes and continued deficits to fund these expensive top-down systems
- A faltering economy and decreasing standard of living
- Less upward mobility for the youth

The good news is alternatives exist by transferring decision-making and control over resources back to the people. A system that:

- Gives more decisions to the people
- Gives the people control over more resources
- Creates a flexible system that can cater to the needs of families
- Is a bottom-up system
- Results in lower costs
- Lows taxes
- And, creates a higher standard of living with
- More upward mobility for the youth

The recommendations in this report offer suggestions to:

- Improve medical services while reduce costs by empowering families
- An alternative to Medicaid expansion that empowers the providers and families
- Applies the recommendations of the governor's education by empowering parents

Finally, before getting into the report and discussing the recommendations. I have received several letters asking to expand Medicaid. This one is such letter from a constituent. *"At this time of the celebration of Jesus' birth, would He be pleased with the Idaho legislature refusing to take care of those most needy among us? I think not! I live in Valley County and 30+ % of our residents have No health care. Without Medicaid expansion they will be denied health care. Is that loving your neighbor as yourself?"*

Let me point out a few problems with this argument. First, there is another way to take care of those in need without expanding Medicaid. An alternative to Medicaid expansion is explained in this report (expand Community Health Centers and reallocate the state CAT fund).

Second, Medicaid is a flawed program. It provides substandard care to those in need. One reason is that the Medicaid program forces doctors and other providers to work for less than cost. Is making a doctor and nurse work for nothing against their will Christ-like and loving?

Third, Medicaid is funded with a mix of federal and state dollars. The federal government is borrowing 40 cents of every dollar that it spends. So, Medicaid expansion is financed with borrowed money. It is not free money. Who will pay back this loan? It will be our grandchildren and great-grandchildren. We are, in effect, creating a situation where our descendants will be required to work to pay off a debt that they did not enjoy. The founders warned against deficit spending. Jefferson said it was immoral for one generation to pass the results of its extravagance in the form of debts to the next generation. He wrote: "...we shall all consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves; and consequently within what may be deemed the period of a generation, or the life of the majority." (Bergh, *Writings of Thomas Jefferson* 13:358 as quoted in *The 5000 Year Leap* by Cleon Skousen pgs. 29-30)

Fourth, Medicaid does not empower people; it creates dependency. The highest form of charity is to give a person the opportunity to become independent and self-sufficient. Medicaid needs off-ramps. Medicaid needs to empower the people with control over resources. Currently, it does not.

Fifth, as more individuals become dependent upon Medicaid, which discourages work and production, there will be fewer workers in the labor force. As the labor force declines, production declines and as production declines, standard of livings decline.

I would urge those that think prosperity is granted by government through government social programs to read this report which will show another, tried and true, proven method of prosperity. A method that will lead to increased prosperity for all. It is based upon work and productivity.

Finally, the allusion that "Christ would be upset" if the legislature does not engage in redistribution of wealth seems to be based on a selective reading of the Bible. **I know of no place in the Bible that Christ used the power of government to take care of the needy.** He fed the 5,000. The Good Samaritan helped his fellowman with his own money and finally, Christ when approach by Satan during the third temptation; Satan offered the services of all the governments of the world if Christ would fall down and worship him. Christ said: "Get thee hence, Satan: for it is written, Thou shalt worship the Lord thy God, and him only shalt thou serve." (Matthew 4:10)

The Weakness of the Republican/Democrat System

Many working Idahoans wake up every morning with a knot in their stomach because they have lost their health insurance or have problems paying their bills. Voters are losing faith in the ability of the major political parties to address real-life problems. A new approach is needed that empowers citizens, raises their standard of living, and gives families back the power, control, and security they once had. This report:

1. Explains why the Republican/Democrat approach is failing Idaho families
2. Introduces the MP2 approach that addresses our most pressing social/economic/political issues
3. Lists several bills with short explanations that may be introduced in next legislative session
4. Offers several suggestions on positive actions that can be taken to make a difference

Most voters operate under the assumption that both the Republican and Democrat Parties desire what is best for the citizens of Idaho and America. Citizens want to believe that the difference between the parties is simply an honest disagreement on how to empower Idaho families.

Reality suggests policies of both political parties do more to empower big business and promote the needs of special interests than empower the people.

It is as if all the goods and services produced by workers in America were collected together and stored in a huge centralized warehouse. The current Republican/Democrat 'debate' is over which party should be the gatekeeper to hand out the goods and services. Republicans argue the goods should go to big business while Democrats argue they should go to big government. **Neither political party argues families should be empowered;** who produced the goods in the first place!

Once the idea is considered that the current Republican/Democrat system is actually an intramural fight between elites arguing over who should control the wealth created by the people; then, you can start to understand what is really happening in America.

Examples from Idaho

Elitist policies also exist in Idaho! Governor Otter convened three task forces in the last 18 months which recommended policies that transfer an additional \$1.3 billion from taxpayers to subsidize big business and other special interests. All three grow the power and scope of government.

1. The first task force studied ObamaCare and if the state should adopt a state health exchange or a federal health exchange. The creation of alternatives that empower the people was not on the agenda. The needs of Idaho insurance companies dominated the task force. Subsidies worth \$300 million are available to insurance companies through ObamaCare.
2. Governor Otter also convened a task force that recommended expansion of Medicaid. The big winners of Medicaid expansion are hospitals that will receive \$600 million per year in subsidies. The losers are, again, the people who have to pay for it. None of the \$600 million goes directly to the people.
3. Finally, the Governor convened an education task force. This task force recommended spending \$392.5 million more on public education. All of this new money goes to the education system; none of \$392.5 million goes to parents or students.

This is not to say that all the recommendations of the three task forces are without merit. It simply shows a pattern. **Empowerment of Idaho families is never on the agenda.**

The recommendations of these task forces make sense using the old paradigm of the Republican/Democrat system. I do not fault Governor Otter or others for the work done by these task forces. However, using a different paradigm, the paradigm of transferring choices and resources back to the people, many of the findings of the task forces no longer make sense. The question political and business leaders now face is if they will continue in the old failed system or strive to implement a superior system?

Two Main Issues of the 2014 Session

Two main issues of the 2014 legislative session are **ObamaCare and Common Core**. The central question of each is the same – will the legislature continue to empower special interests or begin to create policies that empower¹ Idaho families?

In a free society, it is critical that the people control how resources are used; the resources that they have created. Liberty, prosperity, and the pursuit of happiness are only possible in a system where the people control how resources are used. If the government controls how resources are used then the government controls the people. Government control of resources is the essence of totalitarianism.

The old Soviet Union had 5 year plans where the centralized state, not the people, made economic decisions. There is no freedom in North Korea today because the state control resources and determines how they will be used. Freedom and limited government requires an active effort to keep resource control in the hands of a nation's families and out of the hands of centralized decision makers.

Both ObamaCare and Common Core suffer from the same fatal flaw. Both programs are top-down systems designed by experts. ObamaCare attempts to create an ideal medical system and Common Core attempts to create an ideal education system by allowing government and/or experts to control funds and make decisions. The people do not make decision and do not control resources. The people have to adapt and try to fit into each system the best they can.

Traditional Americanism is based upon a completely different model. It allowed producing Americans to keep the fruits of their labors. The people have freedom. The people make decisions. The people are trusted and America prospered. Prosperity and freedom will be regained when policies empower the people. Traditional American principles work every time they are tried. We simply need to apply them. What would a system that empowers the people look like?

An Alternative to ObamaCare that empowers the people

The key to a high-quality, low-cost medical care system is to have the patients control the funds. Currently, insurance companies and the federal medical programs control 89% of all medical spending. Patients only control 11 percent of all medical spending. Because insurance companies and the federal government control funding, costs are high. Insurance companies and the federal government are 3rd party payers which explains why cost are about twice what they should be. 3rd party systems always drive up costs. Under 3rd party payer systems the end user does not directly pay for the services; and, the 3rd party payer is not concerned about the cost of health care because they are paying the bills with someone else's money.

In order to reach our goal of empowering the people, the people must control how funds are used. Instead of controlling only 11 % of the funds, the people need to control between 30 and 50 % of the funds. This would create a cash market¹ where paperwork costs drop and more funds will be available to pay for actual medical services. With control over the medical funding, people become consumers and shop for the best deal.

One available tool to create a cash market is funded health savings accounts (FHSAs). FHSAs provide funds directly to the employee who controls them. The funds are used to pay directly for medical services. If the funds are not expended, they rollover and are available the next year. This encourages self-rationing and wise choices which reduce overall medical costs for everyone.

There are other loopholes in ObamaCare that the legislature needs to make available to the citizens of Idaho. These loopholes include:

- A. Health Share Ministries: this loophole in ObamaCare allows those that participate in one of three Health Share Ministries to avoid buying insurance. These organizations work well for those that attend church regularly and do not smoke. **This bill passed the Idaho legislature in 2013 session. (Nuxoll)**
- B. Direct Primary Care: another loophole in the law (ACA section 1301) exempts anyone who buys a membership in a primary care physician's practice to avoid the need to buy an ObamaCare policy. The essential services are provided by the doctor for a monthly fee at less cost than an insurance policy. The monthly fee can be as little as \$50 per month rather than a \$900 per month insurance policy for a potential total annual savings of \$10,200. A high deductible policy is required with this option.

¹ Or a first-party system; not to be confused with a single-payer system which is another name for a 3rd party system or a socialized medicine

- C. The state employee health insurance pool could be expanded to other public employees. Eventually, this pool could be expanded to include other Idaho citizens. In this way, an insurance product would be available to every Idaho citizens outside of the exchange and outside of ObamaCare.
- a. Last year, the state legislature made it possible to deposit funds into state employees' HSAs. Milliman just completed a report that said up to \$2,510 could be placed in an employee's HSA without raising overall costs (deductible of \$5,400 per family).
 - b. If a large percent of state employees choose the high deductible HSA approach, this would put 23 % of the funds into the hands of the employees and help create a cash-market in Idaho.
- D. ObamaCare allows for a hardship exemption. According to HHS, the exemption covers people who "experienced financial or domestic circumstances, including unexpected natural or human-caused event, such that he or she had a significant, unexpected increase in essential expenses that prevent him or her from obtaining coverage under a qualified plan." (Seeⁱⁱ) This ruling opens the door that anyone who cannot afford an ObamaCare qualifying policy can ask for a hardship exemption! It also gives us one more year to create family-friendly alternatives.

As mentioned, medicals costs are high because the people do not control the funds. As the people control more of the funds, costs will drop. This chart shows this relationship. (Overall Cost is per person in the USA is the first data point and Singapore the last data point. The points in between are estimates.ⁱⁱⁱ The percent of funds controlled by Singaporeans is unknown; but, most Singaporeans have a HSA-like account which empowers them with funds suggesting that empowering people with funds is a powerful tool. It may not require control of 50 % of the funds to bring down costs.)

% of Funds People Control	% of Funds 3 rd Party Controls	Overall Cost	% of GDP
10 (USA)	90	\$8,288	17.1
20 (Estimate)	80	\$6,500	13.4
30 (Estimate)	70	\$5,000	10.3
40 (Estimate)	60	\$3,500	6.7
(Singapore)		\$ 2,111	4.1

If the key to reduce costs is to empower the people with more funds, Idaho policy makers must focus on creating alternatives that empower the people. Last session, much energy was expended setting up a state health insurance exchange (SHIX). A SHIX will not protect Idahoans from ObamaCare only alternatives to ObamaCare will protect Idahoans. If Idaho creates a cash-market, costs can be cut by 50 %. A 50 % reduction would result in \$5 billion annual savings for the people of Idaho.

The choice is simple. Empower Idahoans with choices and resources and lower medical costs to mainstream Idahoans by \$5 billion per year or implement ObamaCare policies that drive up insurance costs and give more power to government, hospitals, and insurance companies.

State vs. Federal Health Exchange

Last year's debate about the State Health Insurance Exchange (SHIX) was a distraction. Neither the SHIX nor the federal exchange will empower the people.

Secondary Opportunities

If the legislature and the governor can agree to work toward alternatives to ObamaCare that empower the people, then other marvelous opportunities open up; opportunities that will truly bless the lives of all Idahoans. They include: Medicaid reform, CAT fund restructuring, expansion of Community Health Centers, and county indigent fund reform. A laudable goal would be to work toward

self-funding of Medicaid. This would allow Idahoans to write common sense rules for Medicaid recipients that would help them become productive rather than rely on the current system that traps people in dependency.

Rep. Luker and Senator Thayne are working on a bill that would do some or all of the following:

- A. Repeal the Idaho Catastrophic Indigent Fund (CAT Fund) (\$40 - \$50 million)
- B. Take the funds from the CAT Fund and use them to help set up Community Health Centers (CHCs). The funds could be used for start-up monies, buy equipment, and provide a cost-share program for pharmaceuticals.
- C. Repeal or greatly reduce county indigent funds.

The key to self-fund Medicaid is to reduce medical costs by 50 percent by creating a cash market using HSAs, DPC, etc

Education and Common Core

The Common Core debate is a case study in good people holding two worldviews that do not understand each other. It is important to spend a few minutes understanding the two perspectives.

Supporters of Common Core State Standards see the need and potential in higher standards; they see the potential of the SBAC test; and, they are comfortable with a multi-state consortium making curriculum, standard, and testing decisions. They are comfortable with Common Core that empowers education experts to set all the major goals decisions. They are not looking at Common Core through the eyes of parents who make no decisions under Common Core and control no resources.

Conversely, opponents of Common Core see the danger in a multi-state consortium making curriculum, standard, and testing decisions. Opponents see Common Core as another top-down program that empowers central decision-makers while the voice of teachers, parents, and students are minimized.

The reasoning of opponents goes like this. If Common Core is implemented with a multi-state consortium creating standards and creating the test that greatly impacts what goes on in the classroom²; and, if parents do not like what is going on in the classroom; to whom will parents appeal?

Will it be to the teacher who will say: "I have to teach this material because it is required by Common Core or I will lose my job?"

Will the parent go to the principal and get the same answer?

Will the parent go to their legislator who will say they have no control over the curriculum or standards or testing because it is mandated by Common Core?

How do parents lobby Common Core? What is Common Core? Does it have a human face?

Who controls Common Core? Who makes the decisions and policies? What checks and balances are in Common Core and the SBAC? Is there a process where the state can exercise autonomy over the process or lodge a complaint? How can parents impact Common Core standards, curriculum, or tests? Parents have no input now. **Parents have no input into Common Core now.** The future is easy for parents to see; they will have no future input. They have lost total control.

Superintendent Tom Luna, local school superintendents, the governor, principals, leaders in business, and many teachers support Common Core. These dedicated individuals now make education decisions. They are the policymakers and administrators in charge of the resources, now. **They do not feel threatened because of their position of power.** They make all the decisions about testing,

² Teachers have long complained about teaching to a test. If Common Core and the SBAC test determine the goals of education, then teachers must teach to the SBAC test. So much that goes on in the classroom will be determined by the test.

curriculum, and standards, now. They trust their own judgment and assume their role of decision maker will continue under Common Core. What if they are wrong?

The opponents of Common Core are concerned parents **who have already lost all control over education**. They see the public school system teaching values and philosophies foreign to their own values. They see Common Core as a further loss of their decision making and control.

Let's look at it from the opponents' perspective by looking at who currently makes decisions.

Decision	The education system	Parents
Textbook selection	all	none
Standard creation	all	none
Curriculum development	all	none
Test selection	all	none
Teacher selection	all	none
How money is spent	most	slight

From the perspective of opponents to Common Core, Common Core does nothing to give any of power back to the parents. In fact, parents believe Common Core threatens to transfer the power and control Idaho educators now enjoy to a decision body outside the state.

Can the supporters of Common Core guarantee present and future autonomy in an age of growing centralization and growing federal power? Can supporters of Common Core guarantee that the state will always be able to leave the multi-state consortium? Can supporters of Common Core guarantee the federal government will not, at some future time, require the state to participate against their will? Where is the safety valve or the divorce clause? Will there be future odious requirements? What then? What is the plan? What recourse do parents have?

The opponents of Common Core are begging that their voice be heard; yet, Tom Luna (whom is a personal friend) and others dismiss their concerns as misinformation. They hear Common Core supporters giving reasons why higher standards are needed. Opponents take notice of fact that Tom Luna and Butch Otter are working with other states. Why not work with Idaho parents? Tom Luna and Butch Otter don't address opponents concerns because they can't hear them. They are looking at Common Core through the positive lens; not through the lens of caution.

Common Core concerns will be resolved as soon as both sides sit down and take time to listen to each other. Opponents share blame for lack of communication. Their tone has been, at times, very personal and critical. This comes from frustration which has been building for years³.

In summary, opponents to Common Core are concerned about loss of decision making authority. They are concerned about the nationalization of public education through Common Core. They are concerned that their opinions are ignored, dismissed, and rejected and no public policy being created to address these concerns. So let's address some of these concerns.

There are five areas: the standards, data, testing, curriculum, and loss of state and local control. Let's address these five issues by using policies that empower teachers, students and parents with choices and resources.

This approach has already been used in Idaho with success with the support of Tom Luna and Governor Otter. In 2012 the "8 in 6" bill was passed and signed by the governor with the goal of reducing college costs by 50 percent without added burden to taxpayers. The "8 in 6" program works by encouraging students to take summer classes so students can take college classes in the junior and senior years of high school and graduate from high school with up to two years of college. Thus their college costs are cut in half.

³ It also comes from our critical, angry society where there are few good role models for problems solving.

The “8 in 6” program is optional and the student controls the resources. (A much different approach from Common Core which is not optional and students control no resources.)

Notice the pattern, empower the student with choices and resources, let them work harder, and costs are reduced by up to 50 %. This is the same pattern can used in empowering the people in resolving concerns with Common Core.

The Interface with Common Core and Empowering Students

- First, recognize the five areas of concern with Common Core and address them
 - Second, empower students, parents, and teachers with resources and choices
1. Opponents see the SBAC test as a danger to local and state control. Specific concerns include the SBAC is too long; it requires 3rd graders to have keyboarding skills, and is too expensive. Tests should primarily help classroom teachers and, secondarily, provide some data to statisticians.
 - a. Suggested solutions include: shortening the SBAC, giving the SBAC to only 4th and 8th graders while giving the SAT to high school students. Give a different, shorter test to grades 3, 5, 6, and 7. Do not give the SBAC to all grades.
 - b. The opponents demand to know what the relationship is between Idaho and the SBAC. Does the SBAC control Idaho or does Idaho control the SBAC. At the very least, parents should have the right to opt out of the test.
 2. Data: Opponents to Common Core are concerned about the amount of data being collected. Is this data necessary? Who should have access to it? Will it be shipped out of state with the SBAC test? The legislature must discuss these issues and create policy that protects this data where the people have an opportunity to have their voice be heard. At the very least, parents should have the right to control who has access to their own child’s data.
 3. Parents, teachers, and legislators have had concerns over the curriculum for many years. Common Core increases this concern. It feels like schools are becoming places where foreign, anti-American concepts are being taught regularly without traditional American concepts being taught. This issue needs to be addressed by giving parents a say in what is being taught. (See Appendix F)
 4. The quality of the Common Core math and English standards are in question. Common Core math standards are written in a way that makes them hard to understand. This is unfortunate because it makes it extremely difficult for parents to help their child if they don’t understand the way math is being taught. The math standards need to be rewritten to become parent-friendly. The English standards are problematic. English teachers and parents in Idaho should be creating these standards. Parents should have the right to choose alternative curriculum.
 5. Loss of state and local control is a real concern with Common Core. The voice of the people must be heard. The more the voice of the people is ignored by education experts; the more the people become concerned that their fears are based in fact. Why? Because they can’t even get their local and state officials to simply acknowledge the danger they see while they feel they are routinely ignored, demeaned, and left out of the process.

Protect Against Common Core

The easiest solution is to hit the pause button on the SBAC test so that the legislature has time to address Common Core issues. The superintendents of the Southern Idaho Conference has suggested that the SBAC test be delayed at least a year. They voiced several concerns.

- One concern was the length of the SBAC test. It takes up to 7 hours per student in grades 3-5 and even more time for the older students. This is not reasonable.
- Also, they questioned the effectiveness of the SBAC

The superintendents offered a couple solutions worthy of consideration. First, use the SAT test, which is already given in high school rather than the SBAC. This would save at least \$1 million. Second, use the NWEA MAP test for grades 3-8. (The NWEA MAP cannot be used this year because of time constraints, but could be an option in 2015.)

Another suggestion is to only give part of the SBAC to each student this year and develop an alternative for next year.^{iv}

MP2 and the Next Step

The changes recommended above require a completely different approach to politics. It requires a completely different set of assumptions, questions, and policies. The casual observer may not notice the changes; but the purpose of legislation will change from empowering government; to empowering families.

- Rather than focus on the needs of special interest groups; the needs of working Idahoans will become the focus
- Rather than take care of people thru government programs; methods will be developed that empower the people to take care of themselves
- Rather than give education experts control over decisions; parents and students will make more decisions
- Rather than give insurance companies and government medical programs control over funds; the people will be empowered with funds
- Laws will be written not to empower government; but to empower people
- Rather than pass regulations that control people; the people will be trusted and regulations reduced letting people assume more risk
- Instead of giving government more responsibility; the people will have more responsibility

It is easy to complain and find fault with what is going on in Idaho and in America. Identifying a problem is an important first step in problem solving. However, we cannot be satisfied with mere complaining; we must take the 2nd step which is to develop solutions.

The MP2 approach deals with social/economic/political problems by empowering the people with choices and resources. MP2 is neither Republican nor Democrat; it is a solutions-based approach.

Let's go back to our example of the warehouse. Republicans and Democrat elites want the workers to make daily deposits into the warehouse. Then, the elites, acting as gatekeepers, decide who uses resources, when the people use the resources, and how the people use the resources.

MP2 does not believe in the warehouse. It does not believe that elites should be making decisions and controlling resources. Political leaders should be servants; not masters.

MP2 focuses on how to motivate all people to become productive so they can be empowered with their own resources from the fruits of their own labors and thus become independent and self-sufficient. **MP2 believes the way to increase prosperity is to increase productivity. That poverty is eliminated by helping all become productive; not by redistribution of earnings.**

MP2 would like to see the Republican and Democrat Parties fight over who has the best ideas to empower the people.

When the elites control the warehouse, costs go up and freedom is lost. When the people control how the resources are used, costs go down and freedom increases. The warehouse needs to go away.

Each of the legislative examples that follow empowers the people with choices and resources.

Legislative Ideas and Potential Bills

Sub Section 1: Bills dealing with ObamaCare. The goals of this section include:

- A. Creating alternatives to ObamaCare that every Idaho citizens can access so they do not have to go to the state or federal exchange or buy a qualifying policy.
- B. Create a cash market so that medical costs can be reduced by 50 % which will save the citizens of Idaho \$5 billion per year, stabilize the school budgets, increase jobs, and boost the economy while benefiting medical providers.
- C. Initiate a program to replace Medicaid with private charity Community Health Centers with the goal of self-funding the Medicaid program within 5 years.

Bill #1: Legislation to remove Direct Primary Care from regulation of the Idaho Department of Insurance.

Direct Primary Care or DPC is an alternative allowed under ObamaCare (section 1301) (a) (3) a person can pay a monthly fee to a doctor to take care of the 10 essential services required under ObamaCare. The cost of DPC is much less because the only insurance needed is a high deductible policy. One of the first steps to make this option more widely available is to remove regulation of DPC from the department of insurance. The law being proposed as been researched by Rep. Lynn Luker and is patterned after a similar law in Utah. This bill gives choices and power to the people. (See Appendix A)

Bill #2: The DPC alternative requires the purchase of a high deductible non-qualifying insurance product. The Idaho Department of Insurance has made it illegal to sell a non-Obamacare qualifying insurance product. The ACA (ObamaCare) does not make it illegal to sell non-qualifying policies. These policies simply do not qualify for subsidies. This bill makes it legal to sell non-qualifying policies in the state of Idaho. (See Appendix A)

Bill #3: The goal of this bill is to eventually self-fund Medicaid. Its immediate consequences are more concrete.

First, the State Catastrophic Indigent Fund would be eliminated. The funds (\$40 -\$50 million) would be used for three purposes: seed money to set up Community Health Centers; provide funds to buy medical equipment, and to fund medical drugs on a cost-share basis.

Second, facilitate growth of Community Health Centers (CHC). The goal is to re-create the private charity model of care that existed before 1965 where doctors and nurses voluntarily gave a charity care. CHCs would operate outside of Medicaid. An alternative to Medicaid would be created so that, in time, the needs of many Medicaid patients could be met through private charity care.

Medicaid is an expensive program that provides substandard care to the needy. CHCs are a logical choice to replace Medicaid. It will, however, take some years to fully make this transition. This bill is the beginning of the process.

Third, limit county indigent funds to only emergencies that cost over \$1,000. Chronic needs would be met through the CHCs. (See Appendix B)

Bill #4: Resolution to find alternatives to ObamaCare

This resolution asks the legislature to find alternatives to ObamaCare that empower the people that than spend time and energy trying to implement ObamaCare. (See Appendix C)

Bill #5: Resolution to fix the emergency room problem of overuse by Medicaid patients. Part of the fix is to create CHCs where people can go to receive care. It is becoming harder for Medicaid patients to

get care because Medicaid does not pay doctors and other providers the true cost. Fewer doctors are taking more Medicaid patients. This makes it hard for many Medicaid patients to get primary care so they go to the emergency room.

Another fix of this problem is to work with the federal government to create a pilot. The goal of the resolution is to empower the Medicaid recipients with control over some of the funding by funding an account **like a** Health Savings Account. (See Appendix D for potential resolution)

Bill #6:

Repeal of the State Health Insurance Exchange

If the goal of the legislature is to create alternatives to ObamaCare so that Idahoans do not need to go to any exchange, it seems reasonable to stop allocating any energy or funds to keeping the state exchange open.

Bill #7: Cap Medicaid

Medicaid is a growing percent of the state budget. Medicaid is a costly program that can be replaced, over time, with Community Health Centers. If Medicaid continues to grow, it will crowd out funding for roads and education. One way to focus the intent of the legislature and the governor on the importance of this issue is to cap Medicaid spending at 17.1 percent of the state general fund. This is the level that it is at now. It does not represent a cut; it represents a commitment to stop growing the program.

Some believe that everyone should have access to Medicaid. This position ignores the fiscal reality that the federal government is borrowing 40 cents of every dollar. To increase the number of people receiving government financed health care paid for with borrowed money, simply ignores the danger this creates for the economy. It also ignores the burden that our generation is placing on the generations that are yet unborn. **How can we live off of borrowed money to take care of our immediate needs while placing our unborn descendants in financial bondage?** This does not seem fair, wise, kind, or Christian.

Sub Section #2: Education (see Appendix E for a more complete report on the Governor's Education Task Force)

Bill #8: Dual credit

This bill allocates \$200 for every junior and \$400 for every senior in high school to pay for dual credit, CLEP tests, or AP tests. This bill allocates \$5 million **directly for the use by the students**. This is the most important education bill of this session and will do more to improve education than any other education bill considered this session.

Check out the video <http://youtu.be/u82k1s1low8> to see how a similar program has affected student performance and teacher morale in New Plymouth. If Idaho were to have the same results as New Plymouth, Idaho would be rated #1 in the nation in education.

Bill #9: Repeal rule 08 02 01 (250)(03)

Rule 08 02 01 (250) (03) which is the zero, 1/2, and full day attendance rule. This rule no longer makes sense. It says that if a student does not attend at least 2.5 hours per day, the school gets no funding. The rule discriminates against home schooled students who only attend part days. The rule also makes it harder for a student to attend two schools at the same time. The schools fight over the funding and the end result is that students have fewer choices. The repeal of this rule would make it easier for a different funding system as suggested by the governor's education task force. It would also make it so charter and public schools could share students and work together in a collaborative

relationship rather than in the dysfunctional competitive relationship currently required by law. The repeal of this law would allow for a fuller discussion on how to change the funding formula. For a suggestion of a different funding formula go to stevenhayn.com and look under issues and look for "Funding Formula".

Bill #10: Portability of General Education requirements

Every student in Idaho that goes to a community college or a state university must take general education requirements. However, when a student transfers between these schools, the schools do not always accept the credit. This is also a problem for dual credit students in high school. This bill would fix this problem by requiring all general education requirements (the first two year of college) to be completely portable with the same course numbers. This bill would empower the students and reduce the cost of education.

Bill #11: Change the "8 in 6" program

The "8 in 6" program is current state law with the purpose of reducing the cost of college by up to 50 %. The program works by encouraging students to take online summer classes. The current law requires students to take 14 classes during the school year in order to qualify for summer classes. This seems to be a high hurdle for 7th and 8th graders. The recommendation from educators is to reduce this requirement to 12 classes for 7th and 8th graders.

Bill #12: Parental Input

This is a resolution to address the injustice of parents not having direct input into the curriculum.

For generations, parents have been concerned about what has been taught to their children in public schools. It seems that history, English, and government classes have promoted moral relativism and big government while ignoring traditional morality, traditional family structure, and the traditional American view of limited government.

Yet, parents have been powerless to make any curriculum decisions. A parent does not have the power to choose what their own child learns in public schools! We live in the world's most prosperous nation with the most freedom of any other nation in the world; yet, parents do not have the right or power to choose the curriculum. Parents can only complain while they watch their children be taught values contrary to their own.

It is time for this injustice to end.

In this age of Common Core with the multi-state consortium choosing the standards, the multi-state consortium choosing the curriculum and the multi-state consortium choosing the method of testing; unless we give parents the right to have input into the curriculum; parents will have no say over what is going on in school; yet, will be required to pay for it. This is simply not acceptable. It strikes at the heart of the parent-child relationship and at the heart of limited government.

I challenge educators, administrators, and legislators to develop a mechanism for parents to choose the curriculum they want for their own children. For example:

- Allow parents to choose the math curriculum they want in elementary school
- Give parents the option of choosing a different literature book for a reading assignment in English class. The books recommended by Common Core include mostly liberal authors. Where are the writings by Walter Williams, Frederick Bastiat, Benjamin Franklin, George Washington Carver, Rabbi Daniel Lapin, Frederick Douglas, or Cleon Skousen?

- With blended classes it would be easy to have a student take an online class from Hillsdale College, or some other provider, on the Constitution three days a week and meet with the other students taking the regular government class the other two days of the week.

Empowering parents by letting them choose the curriculum has many advantages. Parents would be more involved, a more varied curriculum would be provided, more ideas would be injected in the public schools and more interesting debates and discussion would follow, and our children would receive a better education. Also, it would be easier for traditional American values to be preserved within public schools.

Some are concerned about the type of books being allowed in school. As long as parents choose the curriculum and buy the textbooks, there is little danger of legal challenge. In the age of computers and differentiated learning, teachers already allow for variations in individual student content.

Who would argue against this proposal? Who can argue against empowering parents? Who can argue that parents should not be able to choose a curriculum that supports what they are teaching at home? Who would argue against the traditional view of American government being taught? We will see.

(See Appendix F)

Bill #13: Common Core

The SIC superintendents of Southern Idaho have concerns with the SBAC test. The concerns include: cost, the length of the test, and loss of instructional time. In a white paper entitled “Measuring Student Understanding of the Idaho Core Standards: An Alternative Proposal”, they have suggested:

- “Postpone administration of the SBAC as the measure of attainment of the Idaho Core standards so that an analysis may be made of the effectiveness and efficiency of the exam for Idaho’s schools. Involve school district personnel on a regular basis in this analysis.”
- “In the interim, adopt the NWEA MAP tests in grades 3-8, and the grade SAT as the measures of the progress of our students.”

The legislature did approve Common Core standards. The legislature; however, did not approve the SBAC test. The recommendations of the SIC superintendents seem reasonable.

Sub Section 3: the economy

Bill #14: work to open up natural resources on Federal lands. An interim committee dealing with this issue met this in 2013. I would hope that the outcome of the interim committee will be to take the next step to force the federal government to fulfill their legal obligation to “extinguish the title.”

Access to natural resources on federal lands is critical in order for the state of Idaho to grow an economy that supports more than minimum wage jobs. Access to natural resources is one of the key components of increasing the tax base and to provide jobs for those who graduate from Idaho institutions of learning.

Sub Section 4: Freedom

Bill #15: NDAA

The NDAA allows the federal government to detain American citizens if they are suspected of being a terrorist. This bill makes the enforcement of the NDAA illegal in Idaho. The Emmett City Council recently passed a resolution against the NDAA. (See Appendix G)

Bill #16: ALAC

This bill says that only American laws can be used in American courts in Idaho to deal with family law. Foreign law has been used many times in other states. Many aspects of foreign law are incompatible with the American system of law. (See Appendix H)

What Can I do?

The question is often asked: "What can I do to help?" This section gives a few suggestions. Let's begin by recapping the enormity of our challenge.

- Most voters do not understand that the elites in both parties are fighting to become the gatekeepers of the warehouse. Elites work to empower themselves, not the people. The elites want to control resources and choices. For example, the governor's education task force recommended \$392.5 million for teacher salary increases and more operational funding. All of this money was allocated to strengthen the system. None of it was allocated for empowering parents or students or taxpayers.
- Since the goal of this report is to give more power to the people, the elites in the Republican and Democrat Parties may oppose many of the suggestions in this report.
- The media usually supports the elites. Most media folks love the idea that government should control most of the resources and make most of the choices.

Mainstream Americans have strengths and advantages. Two of them are: ideas that empower people are reasonable, and the people outnumber the elites. Here are a few suggestions to get started.

1. Share this report with others.
2. Read this report, understand it, and pick an issue or two from this report you would like to support and see implemented. It takes effort to empower the people. Changes do not take place by simply complaining. The society we want must be built. It will not just happen.
3. Find out more information. This report is a summary and is certainly not an exhaustive study on any single issue. If you need a suggestion or have a question, you could certainly contact me at stvnthn4@gmail.com
4. Visits with your friends and neighbors about the issue or issues you feel strongly about and practice explaining them.
5. Write letters to the editor.
6. Join with likeminded friends and neighbors to organize a house party and invite an elected official into your home and discuss these issues.
7. Call or write your legislators and ask them if they support your position.
8. Help is always needed in calling legislators. If you would like to work with me directly, just let me know.
9. Finally, money is power in politics; there is a new political action committee (PAC) dedicated to funding the campaigns of candidates that want to empower the people. The PAC is called Empower Idahoans PAC. A \$100 donation would be greatly appreciated. Send donations to: Empower Idahoans PAC, 2540 East Franklin #103, Meridian, Idaho 83642

Appendix A

This bill will probably be split in two parts. The first part has to do with the sale of non-qualifying plans and the second part deals with defining DPC and its non-regulation by Idaho Department of Insurances.

Appendix B

Medicaid Time Bomb

Medicaid needs to be replaced with a better system. Medicaid is an inefficient, costly program. It provides substandard care. It pays providers less than market rates driving up costs for everyone else. It is unstable; the federal government cannot afford to fund it and neither can the states.

The responsibility to replace Medicaid with a better system must be assumed by the states because Congress has shown over and over again its inability to tackle huge reform issues.

Michael D. Tanner wrote a fascinating article entitled "ObamaCare created a Medicaid time bomb." (New York Post, Dec. 7, 2013) <http://nypost.com/2013/12/07/the-medicaid-time-bomb/> I have summarized some of the points. Excerpts of the article are at the end of this essay.

1. Of the 1.6 million signed up on ObamaCare, 1.46 million have signed up for Medicaid.
2. Medicaid is already the federal government's third largest budget item. Medicaid takes 8 cents of every federal budget dollar.
3. The Obama administration has already considered changing the 100% reimbursement rate for the Medicaid expansion population which would mean states would pay more.
4. Congress has shown no ability to reform Medicaid or any other entitlement program.
5. Medicaid provides poor medical care for those on the program.
6. Medicaid recipients have longer wait period to get into a doctor which is one reason why they tend to go to the emergency room.
7. Medicaid pays doctors little compared to private pay.

Thoughts

Medicaid is the second largest budget in the Idaho state budget at 17.1 percent of the state budget behind education at 65 percent.

Medicaid is the fastest growing segment of the state budget even without Medicaid expansion.

What would Medicaid replacement look like and how could Idaho replace the \$1.3 billion worth of services associated with the program that are currently paid for with federal money?

Excerpts from the Article

"The good news...is that roughly 1.6 million Americans have enrolled in ObamaCare so far. The not-so-good-news is that 1.46 million of them actually signed up for Medicaid."

"Medicaid is already America's third-largest government program, trailing only Social Security and Medicare, as a proportion of the federal budget." "Almost 8 cents out of every dollar that the federal government spends goes to Medicaid...."

"And it's going to get worse. Congress has shown no ability to reform Social Security or Medicare. With ObamaCare adding to Medicare spending, we are picking up speed on the road to insolvency..."

"But given the growing burden that Medicare will put on a federal budget already facing high debt levels, how likely is it that changes in the federal share of Medicaid will stay off the table?"

"In fact, as part of last December's fiscal-cliff negotiations, the Obama administration briefly considered changing to a "blended" reimbursement rate, somewhere between the current and promised rates. The administration quickly backed away from the offer, but it's likely to come back in the future."

“Every bit as bad as the cost is the fact that for all this money, recipients are going to get pretty lousy health care.”

“Of course, one might say that even bad health care is better than no health care. But, unfortunately, for Medicaid, that’s not true.”

“The Oregon [Health Insurance](#) Exchange study, the first randomized controlled study of Medicaid outcomes, recently concluded that, while Medicaid increased medical spending increased from \$3,300 to \$4,400 per person, “Medicaid coverage generated no significant improvements in measured physical-health outcomes.”

“Other studies show that, in some cases, Medicaid patients actually wait longer and receive worse care than the uninsured.”

“While Medicaid costs taxpayers a lot of money, it pays doctors very little. On average, Medicaid only reimburses doctors 72 cents out of each dollar of costs. ObamaCare does attempt to address this by temporarily increasing Medicaid reimbursements for primary-care doctors, but that increase expires at the end of next year.”

“One study found that among clinics that accepted both privately insured children and those enrolled in Medicaid, the average wait time for an appointment was 42 days for Medicaid compared to just 20 days for the privately insured.”

“That’s one reason why so many Medicaid patients show up at the emergency room for treatment. They can’t find a doctor to treat them otherwise.”

“As bad as this is now, ObamaCare will make it worse by increasing the number of people on Medicaid without doing anything to increase the number of doctors treating them.”

“We don’t know yet whether the rush to Medicaid will continue. It may be that the troubles with the ObamaCare website might have skewed the early signups. But if ObamaCare really does lead to a massive expansion of this costly and inefficient program, that’s bad news for taxpayers, providers and patients.”

Appendix C

Resolution to create alternatives to ObamaCare

Whereas; the Affordable Care Act or commonly referred to as ObamaCare is increasing the cost of medical care; contrary to the promises of President Obama when he said costs would decrease by \$2,500 per year;

Whereas; millions of individuals are receiving health insurance cancellation notices; contrary to the promises of President Obama when he said that if you like your insurance you can keep it;

Whereas; ObamaCare is enrolling more people into Medicaid than private insurance and Medicaid is costly, substandard insurance, the growth of which harms the patients, providers, and the economy;

Whereas; ObamaCare harms the economy, inhibits economic growth causing employees to have hours cuts, and is causing damage to America’s prosperity and the people’s standard of living;

Whereas; ObamaCare transfers vast power to the federal government at the expense of and loss of power and choices of the states and of the people;

Whereas; the federal government is incapable of effectively running the medical system without increasing costs, causing rationing, and threaten the future vitality, freedom and prosperity of every Idahoan;

Whereas; alternatives exist for individuals to escape the ravages of ObamaCare which are impeded into the ACA itself; and knowledge of these alternatives will protect Idahoan and help them receive better care at less cost;

Whereas; it is the legislature's responsibility to protect the interests of the people of Idaho;

Therefore let it be resolved; that it is the intent and purpose of the State of Idaho to continue to work to repeal ObamaCare;

Let it further be resolved; that it is the goal of the legislature and agencies within the state government to work to create alternatives to ObamaCare that include but are not limited to:

- Direct Primary Care;
- Increase the use of Health Savings Accounts to create a cash market;
- Expand the State Employee Health Insurance pool if appropriate;
- Encourage people to join Health Share Ministries;

Let it further be resolved that; health care costs can be reduced by 50 % by creating a cash market which is facilitated by funding state employees' Health Savings Accounts with at least \$1,500 per year, the encouragement of Direct Primary Care organizations and practices, and encouraging private companies to offer Funded Health Savings Accounts.

Appendix D

Resolution to Create a Medicaid Pilot

Whereas; Medicaid is written in a way that encourages Medicaid recipients to over use the emergency room – which is costly to the taxpayer;

Whereas; Medicaid under reimburses providers;

Whereas; Medicaid is a costly, ineffective, and growing program that needs reform;

Whereas; the federal government allows for waivers on innovative pilot programs;

Therefore let it be resolved that; the Idaho State Department of Health and Welfare Medicaid division be directed to work with the federal Medicaid program to address emergency room overuse by using one or both of the following suggests or another way that still empowers Medicaid recipients with choices and control over some of the resources which leads to overall cost of the program;

A – A Direct Primary Care Model to provide for basic needs

B - Funded co-pays that can be used to buy over-the-counter medications or co-pays for emergency rooms or doctor offices visits with the consequence of non-payment by the state if the Medicaid recipient does not pay for the co-pay.

Let it further be resolved that a pilot program be established to test the effectiveness of funded co-pays.

Appendix E

The governor's education task force met beginning in early 2013 composed of five sub committees: professional development, teacher effectiveness, fiscal stability, technology, and structural change. (Pg. 9 of PDF of the Governor's Education Task Force Recommendation Final Report)

My observation: most of the recommendations have real value; the task force did not have time to provide many details so there is much yet to do before they can be implemented. While many of the

recommendations have value, they were created by experts and focused on the needs of the education system. The voice of teachers, parents, students and principals was, largely, absent. Imagine how valuable these recommendations could be if the voice of parents, teachers, students, and principals are included.

The Education Task Force's Recommendations:

1. Mastery-based
2. Common Core Standards
3. Literacy proficiency
- 4. Advanced Opportunities (The only recommendation that empowered students)**
5. Revamp the state's accountability structure involving schools
6. Empower autonomy by removing constraints (on local school districts)
7. Annual Strategic Planning, Assessment, and Continuous focus on Improvement
8. Statewide Electronic Collaboration System
9. High Speed Bandwidth and Wireless Infrastructure
10. Educator and Teacher Technology Devices
11. Restoration of Operational Funding
12. Career Ladder Compensation Model
13. Enrollment Model of Funding Schools
14. Tiered Licensure
15. Mentoring
16. Ongoing Job-embedded Professional Learning
17. Site-based Collaboration among teachers and instructional leaders
18. Training and Development of school administrators, superintendents, and school boards
19. Provide enhanced pre-service teaching opportunities through the state's colleges of education
20. Participation in the CCSSO's "Our Responsibility, Our Promise" recommendations to improve teacher preparedness

Comments: the recommendations that address changes to the system 1, 2, 3, 5-20. Recommendations that increase student choices - #4 Advanced Opportunities

Recommendation that require more funding and will end up financially benefiting public school employees: Recommendations – 9, 10, 11, 12, 13, 14, 15, 16, 17 total cost approximately \$392.5 million

- Recommendation 11 – restore operational funding = \$82.5 million (pg. 38 PDF);
- Recommendation 12 and 14 – career ladder = \$250 million (pg. 39 PDF); Recommendation 13
- Enrollment model of funding = \$0 to \$60 million (pg. 41 PDF);

Summary of My Concerns with the Governor's Task Force on Education

I mean no disrespect to the members of the Governor's education task force. Many of the members I count as my friends. I have respect and admiration for most of them. But, I will point out in clear language the concerns that I have for the recommendations.

1. The recommendations are a top-down approach much like NCLB or Common Core or RTTT. A group of experts have gotten together and tried to think of all the ideas that would make the education system better. Many of the ideas are wonderful. Many have great value; never the less, all but one of the recommendations is focused on changing the system and empowers government. Only one of them empowers the students or parents with choices. Freedom is

about access to choices and control over resources to the people. These recommendations give almost all choices to the “system”.

- a. There are two ways of reforming complex systems. The first is to give control over resources and choices to the influential few (the path of the governor’s task force) and let the influential few make an ideal system. The students and parents are required to fit into the system the best they can. A top-down system is a one-size-fits-all approach. The disadvantage to this approach is the high cost and individual freedom is ceded to a controlling few. **The cost for this top-down plan is \$392 million.**
- b. Another, and superior, way of changing complex systems is to give control over resources to the people (teachers, parents and students) coupled with choices so that they can drive reform through their choices from the bottom-up. This requires flexibility on the part of the system so that the system can change to meet consumer needs. Recommendation #6 about removing constraints is moving in this direction, but, for the wrong reasons.
- c. The benefit of a bottom-up approach is that quality improves, there is more flexibility, and costs decrease. See footnote below for what an alternative could look like.⁴
2. The assumption that underlies the recommendations of the task force is that more funding = better education. This seems logical; however, money, by itself, does not improve education. Improvement in education will come when, and only when, the people are empowered with real choices.
3. The governor’s task force ignores the role of parents and students. Except for one recommendation (#4 – Advanced Opportunities) the role of students and parents is totally ignored. These recommendations are not so much wrong as incomplete.
4. Most of the recommendations are vague such as: mastery-based, empower autonomy, career ladder, provide enhanced pre-service opportunities. The recommendations that are concrete are the ones that require more funding: more teacher pay (\$250 million), increase operational funding (\$82.5 million), and change the funding formula (\$60 million). It is disturbing that so many recommendations focused on funding without giving recommendations on the source of these funds. Is the legislature supposed to raise tax rates? Is the legislature supposed to stop funding Medicaid? Why were there no ideas of where the money should come from?⁵

⁴ The goal of the state is to see that there is an educated populace necessary for a free society. Public school is one way; but not the only way to accomplish this goal. For example, Idaho could establish exit exams from each grade or from high school and attach funds to students that pass the exam. The exam could be the ACT or SAT. Public schools would get the funding for students that attend public schools. The parents could receive funding for **students that pass the exams** but do not attend public schools. One proposal would be to pay the parents 50% of what it costs to educate a child in public school if the child can demonstrate mastery. So a student educated outside of public school could generate \$2,500 per year for the parents to supply an alternative to public schools. The state would save \$2,500 per student per year or \$30,000 for k-12. If half the students in the state choose to do this, if the legislature instituted such a program, the cost of education would drop by \$325 million per year. This is one example of a reform based upon empower the people. There are others.

⁵ It reminds me of a similar problem that has plagued conservatives in the Republican Party that want to balance the federal budget or reduce taxes; but, they don’t explain how to do it. I think the governor’s task force did the easy part of creating a wish list; but, neglected to do the hard work of funding it.

5. What is conspicuous in the report is the absence of certain topics: charter schools, school choice, and role of parents, student choice, challenging classes or any specific recommendation that empowers parents.
6. The task force can be forgiven for not finishing its work and not coming up with more specifics. They only had 8 months. Specifics will have to be filled in during the coming years. Here are a few specific suggestions that will empower parents and/or implement some of the recommendations of the task force. Many of these will be introduced in the next legislative session.
 - a. Repeal rule 08 02 01 (250) (03) which is the zero, 1/2, and full day attendance rule. This rule no longer makes sense. It says that if a student does not attend at least 2.5 hours per day, the school gets no funding. The rule discriminates against home schooled students who only attend part days. The rule also makes it harder for a student to attend two schools at the same time. The schools fight over the funding and the end result is that students have fewer choices. The repeal of this rule would make it easier for a different funding system as suggested by the task force. It would also make it so charter and public schools could share students and work together in a collaborative relationship rather in the dysfunctional competitive relationship currently. For a fuller explanation go to stevenhayn.com and look under issues and look for "Funding Formula".
 - b. New Plymouth Superintendent Ryan Kerby and I have suggested allocating \$200 for each junior and \$400 for each senior for dual credit classes. The report says on page 26 PDF: "A study of dual enrollment in Texas found that 'high school students who had completed a college course before graduation were nearly 50% more likely to earn a college degree from a Texas college within 6 years than students who had not participated in dual enrollment.'"
 - c. Reward students (elementary) for learning quickly by giving longer recesses, shorter school days, flexible schedules, or going on family vacations. If we move away from zero, 1/2, and full day attendance toward enrollment, this would be easier to implement especially in grades 1-6.
 - d. Change the "8 in 6" program so the only 12 classes are required to qualify for online summer classes in the 7th and 8th grade rather than 14 classes in current code. This will make it easier for student to take summer classes. Summer classes in the "8 in 6" bring in the learning of year-round schooling without the added cost.
 - e. Require portability of general education credits between all of the state community colleges and universities. This will probably require legislative action. It is time to make this happen. General education classes should have all the same course numbers and be completely portable.

Brainstorming

I like to brainstorm and try to come up with some out-of-the-box solutions. The purpose of sharing these ideas to is to stimulate a wider discussion.

One of the dilemmas of public education is that each student is an individual with unique interests and desires; yet, in a classroom students have little free time to pursue their own interests. The students must suppress their individual and unique interests in order to fit into the collective called the classroom. Each individual student, if given the choice, would study somewhat different subjects and sub-subjects.

The need of the student to suppress his individual interests becomes more pronounced as curriculum choices move from the classroom to building-wide, to district, to state, and finally to a national curriculum and standards under Common Core. As the decisions over the curriculum moves further away from the teacher, the student may have fewer choices if great care is not taken.

Another dilemma is that parents are the prime teachers of their own children. This has been evolutionarily decreed. Most parents have a special connection with their own child; however, in the modern public school system two factors work to weaken and/or destroy this bond. First, the parents do not choose the curriculum. The state chooses the curriculum. This means that, in many cases, the school system actually teaches values and cultural norms that are contrary to the desires and beliefs of the parents.

The second factor that tends to weaken the parent/child bond is that most parents cannot afford to teach their own children. Taxes and expenses of a modern society are so high that it requires both parents working to pay the bills.

Is there a solution? A solution that would allow for individual instruction, allow for students to pursue their unique interests, and transfer funds to parents that wanted to educate their children rather than have the state educate? There are several solutions to these questions. Two will be offered for discussion purposes. No bill has been written to implement these ideas. The first is within the present school system. The second is outside the present school system.

Inside the Current System

The first would be to create more flexibility in grades k-4 based upon mastery. Minimize and reduce the required benchmarks. Allow parents and students more choices on topics, reading assignments, and other schoolwork if the benchmarks are achieved. This would allow the student to pursue individual interests.

Those that succeed in school under the current system probably have interests that align well with the current system. The ones that struggle probably have interests that do not align as well. Yet, they are being blamed for their failure when, in fact, the system has failed them. They need more options not less.

The second key is to adopt the first recommendation of the governor's education task force which is to move to a mastery-based system and adopt another of the recommendations -- move away from attendance for funding.

So what would fewer benchmarks look like? For the sake of simplicity, let's focus on the skills needed by the end of the fourth grade. The teachers must have a more detailed list of benchmarks; however, the parents only need the end goal so they know what success looks like which would include:

- Independent reader. A child can pick up almost any book and read it.

- The student understand basic math, knows their math facts (addition, subtraction, multiplication, and division), can do story problems with distance, time, quantities, volume, price, etc.
- Can write their own basic thoughts using proper spelling, grammar, and punctuation.

These are the basic skills necessary in order to become a self-learning and to move to the next level of instruction. Identifying a few key benchmarks would allow for more flexibility.

Reform in Grades 7-12

I don't know what education will eventually look like in the future; however, using the current trends suggestions can be given for grades 7-12. An immediate goal would be to have 60% of the students graduate from high school with 30 or more college credits (this also includes professional technical courses). <http://youtu.be/u82k1s1low8>

This can easily be done by using the "8 in 6" program, MAP, and dual credit for early completers, and funding each junior with \$200 and each senior with \$400 to be used for dual credit classes. For now, just continue to do what we are doing and improve it.

Second Factor: parents can't afford to teach

Many parents would like to teach their own children but cannot do so because of lack of funds. If certain benchmarks are adopted suggested in the previous section which are:

- Independent reader. This means that a child can pick up almost any book and read it.
- The student understand basic math, knows their math facts (addition, subtraction, multiplication, and division), can do story problems with distance, time, quantities, volume, price, etc.
- Can write a paper explaining their thoughts using proper spelling, grammar, and punctuation.

If the parents teach these skills and the ***child is able to demonstrate proficiency***, and the child did not go to public school, then the state could reward parents with part of the funds that the state would have spent if the child had gone to public school.

For example, kindergarten costs about \$2,500 per student, first grade costs \$4,500 per student as does second and third grade for a total of nearly \$20,000 per student grades k-4. If the parent does the teaching or sees that the teaching is done in another setting and the child is able to show proficiency in reading, math and writing, then the parent could receive 50% of the funds or \$10,000.

This would save the state \$10,000, build family unity, and result in a better education system. Stronger families will reduce social costs and reduce incarceration expenses. If this program were adopted in grades k-4 and 50% of the parents decided to take advantage of the system, it would save the state \$110 million per year (11,000 students x \$10,000 = \$110,000 million) or some of the funds could be used to strengthen the public school system. A win-win-win solution

Will the people support such ideas? Who knows, but if we want individualized instruction, if we want freedom of choice, if we want to empower parents, if we want to improve education, and if we want to reduce costs. These ideas have the chance to accomplish all of these things.

The governor's task force recommendations without modifications will:

- Increase costs
- Decrease student choices
- Disempower parents
- May improve education or not?
- Strengthen national control (because of Common Core)
- Create more standardization and undermine independent thinking

Funding and Observations

The governor's education task force recommended almost \$400 million in new spending over the next 5 to 6 years. Is this increase in funding needed? What is it going to be used for? Are there other approaches? What are the concerns? What should we think about these funding requests? What are the expected outcomes and how are they measured?

Would the legislature vote to increase funding for education? The answer is a qualified 'yes'. It depends. First of all, many legislators will not spend more money on education if it requires an increase in tax rates. They will not support an increase sales tax, corporate or individual income tax.

They reason that it is not right to place a heavier burden on other taxpayers so that employees of the public school system can receive more funding. Why should other taxpayers restrict their incomes so that another group of citizens can enjoy a higher standard of living?

The way to generate more funding for public schools is through private sector growth. Taxes are generated and paid for by those in the private sector and those that have jobs. A \$50 billion economy at a 5% tax rate generates \$2.5 billion in tax revenue. A \$60 billion economy at the same 5% tax rate generates \$3 billion in tax revenue. Growth of the private sector needs to be the key to generating more funding for public education.

Federal Lands

One of the ways to help the private sector grow, in Idaho, is to open up more natural resources (mining, timber). Currently, 63% of the land in Idaho is controlled by the federal government. Most of the natural resources on these federal lands are off limits to use. If resources on federal lands were made available, the economy of Idaho would grow and generate more tax revenue. Legislators will be much more willing to support more funding for public schools if the employees in public schools help grow the private sector by supporting efforts to access natural resources on federal lands.

Health Care Costs

Almost 64 percent of the \$393 million of extra funding recommended by the education task force is allocated to teacher funding. One of the expenses harming the public school budget and impacting public school teachers' income is the cost of health care. Much of the increase in funding the state legislature allocated to public school teachers over the last three years has been eaten up by health insurance costs. If health costs can be cut by 50%, this would help increase teacher incomes without costing the taxpayers.

Other Considerations

The task force recommended \$60 million to transition from seat-time based attendance to enrollment-based attendance funding. This \$60 million is not required. The task force explained that it was not necessary to add another \$60 million. Eliminate this \$60 million request.

Of the \$393 million recommended by the task force, none of the funds were allocated to students. It only makes sense to allocate part of the funds to students. One recommendation is to allocate \$6 million and pay for dual credit classes. The cost would be about \$6 million or 1.5% of the total request.

Summary

	Task force recommendation	Alternative
• Funding formula	\$60 million	\$0
• Teacher pay	\$250 million	\$75 million
• Operational	\$82.5 million	\$75 million
• Fund Students dual credit	\$0	\$6 million
• Health care costs	NA	(\$50 million)
Total Cost	\$392.5 million	\$106 million

If the correct policies are put in place, the disposable income of teachers could be just as much while not funding all of the task force recommendations by reducing health care costs.

Appendix F: Resolution to Allow Parents to Choose the Curriculum

Whereas; parents have the primary responsibility to teacher their children and oversee the education of their children;

Whereas; Idaho public schools exist to assist parents in this important task;

Whereas; Idaho schools should reflect the values of parents and never actively undermine the cultural or moral values that parents are trying to teach their children;

Whereas; curriculum and textbook choices have a great impact on what cultural, historical, and moral values are being taught;

Whereas; parents have few opportunities to directly choose an alternative curriculum, textbook, or assignment that the parent feels is more appropriate for their child;

Therefore, let it be resolved that the legislature direct the State Board of Education, the State Department of Education and any interested parties provide suggestions that would allow parents to have direct input into the textbooks, assignments, and curriculum their children receive; ideas could include but not be limited to; online options, alternative reading assignments, and different textbooks.

Let it further be resolved, the State Board of Education see that a process is created to compile these suggestions.

Therefore, let it further be resolved that the legislature encourage future legislatures use these ideas increase the ability of parents to control the education of their own children.

Appendix G

RESTORING CONSTITUTIONAL GOVERNANCE ACT OF IDAHO

It is the determination of the State of Idaho that Idaho is not a "battlefield" subject to the "laws of war," and that neither Congress nor the President can constitutionally apply the "laws of war" to any person in Idaho, or citizen of Idaho, who is not serving "in the land or naval forces, or in the Militia, when in actual service in time of War or public danger."

(2) Notwithstanding any treaty, federal, state, or local law or authority, enacted or claimed, including, but not limited to, an authorization for use of military force, national defense authorization act, or any similar law or authority enacted or claimed by Congress or the Office of the President, it is unlawful for any person to:

- a. arrest or capture any person in Idaho, or citizen of Idaho, "under the law of war," or
- b. actually subject a person in Idaho to "disposition under the law of war," or
- c. use deadly force "under the laws of war" against any person in Idaho, or intentionally subject any citizen of Idaho for targeted killing or murder.

(3) Section (2) does not prohibit the application of the Uniform Code of Military Justice (UCMJ) including military detention and trial, in "cases arising in the land or naval forces, or in the Militia, when in actual service in time of War or public danger" to discipline service members who have violated the UCMJ and laws of war.

(4) For the purposes of this Act, the terms "arrest," "capture," "detention under the law of war," "disposition under the law of war," and "law of war" are used in the same sense and shall have the same meaning as such terms have in the 2012 NDAA, Section 1021(c).

(5) Any person in violation of this act shall be prosecuted under the Idaho Criminal Code relating to, but not limited to, assault, battery, kidnapping, and/or murder, as applicable.

<http://theintolerableacts.org/docs/RCG-Act-of-ID.pdf>

Appendix H

MODEL LEGISLATION

AN ACT to protect rights and privileges granted under the United States or [State] Constitution.

BE IT ENACTED BY THE [GENERAL ASSEMBLY/LEGISLATURE] OF THE STATE OF [____]:

The [general assembly/legislature] finds that it shall be the public policy of this state to protect its citizens from the application of foreign laws when the application of a foreign law will result in the violation of a right guaranteed by the constitution of this state or of the United States, including but not limited to due process, freedom of religion, speech, or press, and any right of privacy or marriage as specifically defined by the constitution of this state.

The [general assembly/state legislature] fully recognizes the right to contract freely under the laws of this state, and also recognizes that this right may be reasonably and rationally circumscribed pursuant to the state's interest to protect and promote rights and privileges granted under the United States or [State] Constitution, including but not limited to due process, freedom of religion, speech, or press, and any right of privacy or marriage as specifically defined by the constitution of this state.

[1] As used in this act, "foreign law, legal code, or system" means any law, legal code, or system of a jurisdiction outside of any state or territory of the United States, including, but not limited to, international organizations and tribunals, and applied by that jurisdiction's courts, administrative bodies, or other formal or informal tribunals. For the purposes of this act, foreign law shall not mean, nor shall it include, any laws of the Native American tribes in this state.

[2] Any court, arbitration, tribunal, or administrative agency ruling or decision shall violate the public policy of this State and be void and unenforceable if the court, arbitration, tribunal, or administrative agency bases its rulings or decisions in the matter at issue in whole or in part on any law, legal code or system that would not grant the parties affected by the ruling or decision the same fundamental liberties, rights, and privileges granted under the U.S. and [State] Constitutions, including but not limited to due process, freedom of religion, speech, or press, and any right of privacy or marriage as specifically defined by the constitution of this state.

[3] A contract or contractual provision (if severable) which provides for the choice of a law, legal code or system to govern some or all of the disputes between the parties adjudicated by a court of law or by an arbitration panel arising from the contract mutually agreed upon shall violate the public policy of this State and be void and unenforceable if the law, legal code or system chosen includes or incorporates any substantive or procedural law, as applied to the dispute at issue, that would not grant the parties the same fundamental liberties, rights, and privileges granted under the U.S. and [State] Constitutions, including but not limited to due process, freedom of religion, speech, or press, and any right of privacy or marriage as specifically defined by the constitution of this state.

[4]

1. **A.** A contract or contractual provision (if severable) which provides for a jurisdiction for purposes of granting the courts or arbitration panels *in personam* jurisdiction over the parties to adjudicate any disputes between parties arising from the contract mutually agreed upon shall violate the public policy of this State and be void and unenforceable if the jurisdiction chosen includes any law, legal code or system, as applied to the dispute at issue, that would not grant the parties the same fundamental liberties, rights, and privileges granted under the U.S. and [State] Constitutions, including but not limited to due process, freedom of religion, speech, or press, and any right of privacy or marriage as specifically defined by the constitution of this state.
2. **B.** If a resident of this state, subject to personal jurisdiction in this state, seeks to maintain litigation, arbitration, agency or similarly binding proceedings in this state and if the courts of this

state find that granting a claim of forum non conveniens or a related claim violates or would likely violate the fundamental liberties, rights, and privileges granted under the U.S. and [State] Constitutions of the non-claimant in the foreign forum with respect to the matter in dispute, then it is the public policy of this state that the claim shall be denied.

[5] Without prejudice to any legal right, this act shall not apply to a corporation, partnership, limited liability company, business association, or other legal entity that contracts to subject itself to foreign law in a jurisdiction other than this state or the United States.

[6] This subsection shall not apply to a church, religious corporation, association, or society, with respect to the individuals of a particular religion regarding matters that are purely ecclesiastical, to include, but not be limited to, matters of calling a pastor, excluding members from a church, electing church officers, matters concerning church bylaws, constitution, and doctrinal regulations and the conduct of other routine church business, where 1) the jurisdiction of the church would be final; and 2) the jurisdiction of the courts of this State would be contrary to the First Amendment of the United States and the Constitution of this State. This exemption in no way grants permission for any otherwise unlawful act under the guise of First Amendment protection.

[7] This statute shall not be interpreted by any court to conflict with any federal treaty or other international agreement to which the United States is a party to the extent that such treaty or international agreement preempts or is superior to state law on the matter at issue.

ⁱ Government in turn empowers policymakers, bureaucrats, and corporate interests with subsidies and special privileges. For example, Obamacare gives the subsidies for health insurance policies to private insurance companies. The funds do not go to the people so they can make choices. The funds go to insurance companies thus giving power over the delivery of medical care to insurance companies.

ⁱⁱ <http://www.bloomberg.com/news/2013-12-20/obama-aides-say-more-to-gain-coverage-under-aca-than-canceled.html>

ⁱⁱⁱ http://en.wikipedia.org/wiki/List_of_countries_by_total_health_expenditure_%28PPP%29_per_capita

^{iv} Finally, before leaving this topic, another concern needs to be raised and that is the tyranny of standardization. If Common Core becomes the universal standard with the same standardized test, the same curriculum, and the same teaching methods, then there will be no contrast between different styles. When there is no comparison, then no changes are possible. The tyranny of standardization could set in where no real, contrasting options exist. To some extent, this tyranny now exists. Common Core has the potential to make this phenomenon even worse.