

PLANNING, POLICY & GOVERNMENTAL AFFAIRS AGENDA
October 2-3, 2003

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SUBJECT

Lewis-Clark State College Progress Report

Dene Thomas, LCSC President, will give the report.

Lewis-Clark State College

**Progress Report on Strategic Plan
October 2, 2003**

Dene K. Thomas

Areas to be Covered Today

- **LCSC Strategic Plan Overview**
- **Snapshot of Key Areas:**
 - Accreditation**
 - Instruction**
 - Outreach**
 - Enrollment**
 - Finance**
 - Advancement**
 - Research, Grants, and Contracts**
 - Facilities**
 - Personnel**
- **Student Concerns**
- **Question and Answer Session**

LCSC Strategic Plan

- Implemented systematic strategic planning process Fall'01
 - Clarified role/mission
 - Realigned structure to support mission
 - Linked plans, programs, budgets, and assessment
 - Strategic plan was published July'02, updated July'03 (current update was approved by SBOE in Aug'03)
 - Engages all elements of the College in a closely-integrated, year-long planning/implementation cycle
- Strategic Plan—and planning process—helped LCSC's people provide high-quality, accessible, relevant programs in a period of growing demand and shrinking budgets

LCSC Role/Mission

- **Four-year baccalaureate programs**
- **Professional-Technical education**
- **Community College/Community Services**

Active Engagement



Collaboration—Teamwork—Respect
One Team, One Mission, One Community

Primary Emphasis Areas

- **Business**
- **Criminal Justice**
- **Nursing**
- **Professional-Technical Education**
- **Social Work**
- **Teacher Education**

Areas of Interest

Accreditation

- **NASC-directed Interim Report and Visit in April'03 focusing on four areas from 1999 evaluation**
 - **Institutional Role/Mission**
 - **Institutional Planning**
 - **Institutional Assessment**
 - **Advising (provisionally-admitted students)**
- **Result: institutional accreditation reaffirmed in Jun'03**
 - **Commendations on progress made, clarification and communication of role/mission, institutional planning process, commitment to students, etc.**
 - **Recommendation: integrate assessment plan into the planning process to complete significant progress made**
- **Next milestone: 5-year visit in Fall'04**

Instruction

- Sustained quality programs in all six emphasis areas
- Nurse exam pass rate = 96.8%
- PACE (accelerated teacher certification initiative) cited as model by Idaho MOST program
- Increased efficiency through consolidation/realignment of divisions (Humanities, Business, Social Sciences)
- Officer education program (ROTC) returned to LCSC campus, in collaboration with UI and National Guard
- New Rad-Tech and LPN programs thriving
- New CAMP initiative; strong growth this Fall
- Undertaking a review of the General Education Core
- Increased total student credit hour production despite cumulative budget cuts and year-end reversion

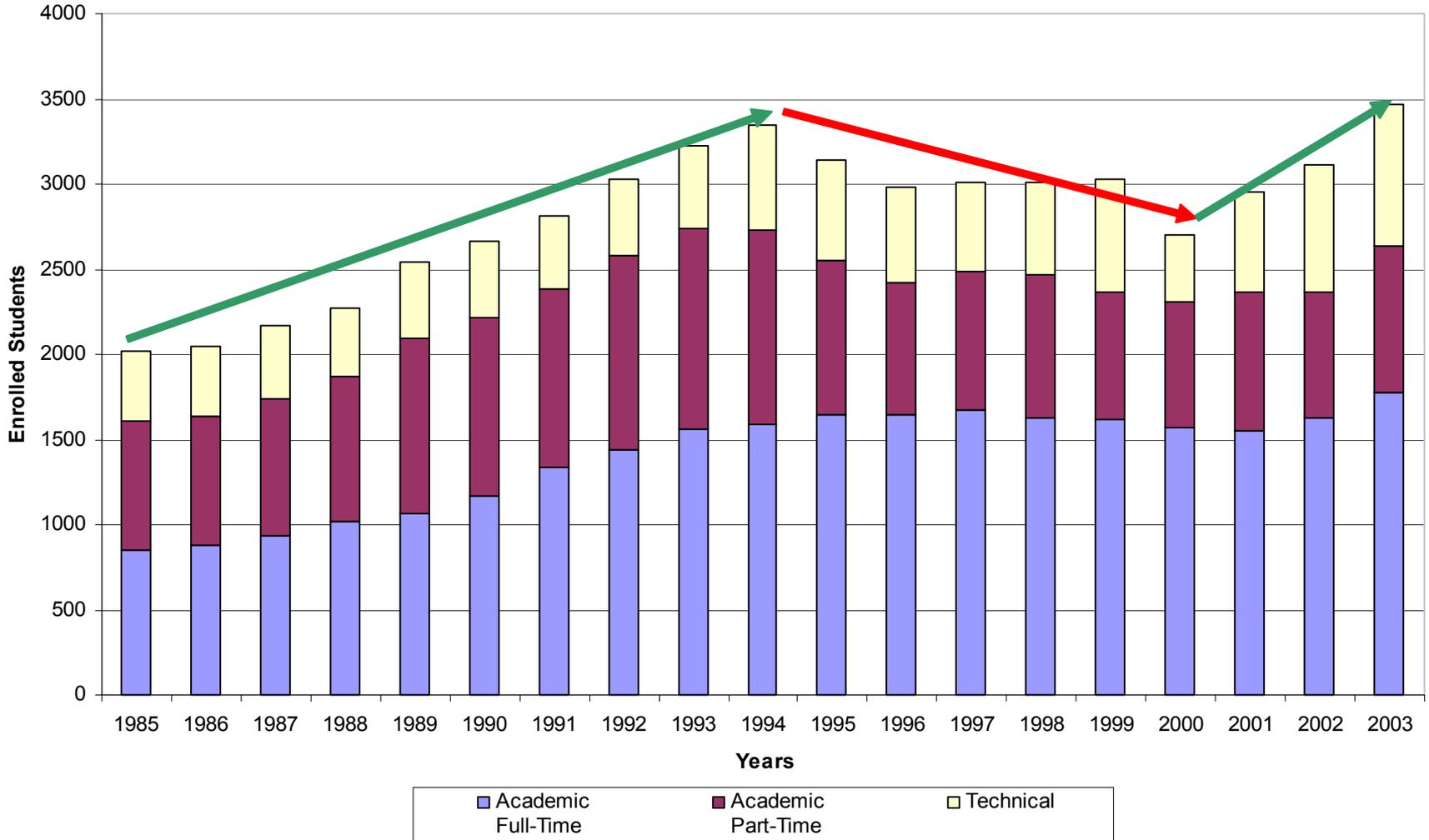
Outreach

- **Coeur d'Alene: moved to new Harbor Center facility; providing Nursing, Business, Social Work, and Justice Studies programs—in collaboration with NIC and UI**
- **Consolidation of outreach centers (down from 8 to 5)**
- **Outreach Centers and CdA programs served over 5,000 students throughout Region II**
- **Workforce Training served over 4,000 students**
- **Small Business Development Center conducted 22 workshops and over 2,400 consulting hrs in Region II**
- **Produced over 550 GED graduates during the year**
- **LCSC public service programs reached over 44,000 people of all ages; over 120,000 meals served by our Senior Nutrition program**

Enrollment

- **Fall'03 10th day student headcount (Academic and Professional-Technical credit courses) was 3471**
- **11.7% growth since Fall'02**
- **28% growth since Fall'00**
- **Continues the (recently-restored) positive trend in demand after the down-slide of 1994 through 2000**

Enrollment Growth Trends



Finance

- **Lean operation: increasing enrollment and overhead costs (utilities, health care); decreased buying power**
 - **Cumulative effects of 2-years of cuts, fund reversion**
 - **Internal financing of “must pay” promotions**
 - **Student fee increase of 9.6% (\$137 per semester incr.)**
- **Pinching pennies for position fills and travel**
- **Deficit reduction plans on track (ahead of 4-year payback schedule for Athletic O.E., national travel account, Center for Arts and History)**
- **Salaries (two years without COLA—fairness issue): Internal financing for a salary increase would force us to cannibalize programs**

Advancement

- **New Director of Advancement on board—a product of the system (LCSC Foundation Scholar)**
- **Successful campaign to locate lost alumni—contact established with 83% of living alumni**
- **Donors pitched in to keep Foundation Scholarships level last year (\$173,000)**

Research, Grants, and Contracts

- **We completed our search for a new director for the Grants Office this year; we are revamping the College-wide grants tracking and training process**
- **Grant awards totaled \$5.8M, more than double the previous year's level**
- **Recent highlights include USDA milling equipment grant and approval of federal appropriations-supported Skid Pad project**

Facilities

- **Leaping from the 1930s into the 21st Century after groundbreaking for LCSC's Multipurpose Activities Center on August 25th**
- **Renovation of Fine Arts Building (ADA compliance) also underway**
- **Self-help project culminated in "Information Commons" addition to Library**
- **Working hard to develop plans to increase residential space to meet continued growth**

Personnel

- **Despite 3 years of enrollment growth, LCSC is operating with reduced faculty/staff levels**
 - FY02, FY03 budget cuts forced reductions of 16 FTE positions
 - Replacement hiring was slowed to achieve short-term savings
 - Dual-hatting has been used to cover some vacancies
- **New Provost is on board—Deans for three mission areas (Academic, Professional-Technical, Community programs) are now in place**
- **Internal funds reprogrammed to allow promotions**
- **Two years of frozen salaries, increases in cost of living, growing compensation gap with peer institutions, and lack of “get well” plan has increased personnel turbulence and raises concerns on program quality over the long term**
- **These personnel issues have a direct impact on students**

In Conclusion

- **LCSC's administration, faculty, staff, and students are making solid progress in carrying out our current five-year strategic plan**
- **We are providing Idaho taxpayers with excellent return on investment for every dollar spent on our students and programs**
- **We are looking ahead to an even brighter future, and we appreciate your support**
- **Questions?**

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SUBJECT

President's Council Report

Dene Thomas, LCSC President and Chair of the President's Council, will give the report.

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SUBJECT

Temporary waiver of IDAPA 08.02.03.111.06.n.

BACKGROUND

According to IDAPA 08.02.01.001, the State Board of Education may grant a waiver of any rule not required by state or federal law to any school district upon written request. Article 9, Section 2 of the Idaho Constitution vests the State Board of Education with general supervision of the public school system of the state of Idaho and Idaho Code §33-116 gives the State Board of Education supervision and control of all school districts in Idaho. Staff has had a number of requests for clarification regarding the current administrative rule 08.02.03.111.06.n. that requires students to take the ISAT test each time that it is offered, and regarding students being able to "bank" their fall scores ISAT test when they take it as a 10th grader.

DISCUSSION

Based on the contract with the Northwest Evaluation Association, the testing contractor, students can be tested up to four times a year. Staff has arranged for three "optional" windows for students to be tested (December, February and July) and students can test up to four times a year. The way the rule is currently written, students would be required to take the test in all of those windows. IDAPA 08.02.03.111.06.n. currently reads, "Students who do not receive a proficient score on a portion or portions of the High School Idaho Standards Achievement Test will retake the appropriate portion or portions each time thereafter that it is offered." It is requested to make test administration other than fall and spring optional.

In addition, it needs to be clarified that students must take the spring 10th grade test. The rule is written in such a way that it makes it seem possible that students could "bank" the fall score and not have to retake the entire exam in the spring. IDAPA 08.02.03.111.06.n. currently reads, "Once a student achieves proficiency, at a level established by the State Board of Education, on a portion or portions of the assessment, regardless of which grade level, ten through twelve (10-12), that student is not required to continue taking that portion or portions." However, students must take the entire grade level portion in the spring for the state to comply with federal requirements. These and additional changes are reflected in the accountability rules that are going through the rulemaking process and will come before the Board for final approval in November, and for final approval by the Legislature in the 2004 session, but they would not go into effect until July 1, 2004. A waiver is needed to bridge the gap until the new rules go into effect. Approving a waiver for all of the school districts at one time will ensure equitable treatment and remove the necessity for every school district to submit a waiver.

BOARD ACTION

To approve a temporary waiver of IDAPA 08.02.03.11.06.n. for all public school districts, which would expire June 30, 2004.

Moved by _____ Seconded by _____ Carried: Yes ___ No ___

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SUBJECT

Final Reading
Changes to Section IV.E. Eastern Idaho Technical College

BACKGROUND

At the June 25-26, 2003 meeting, following appointments to the EITC Advisory Council, the Board staff was directed to update policy in reference to the process for appointments and reappointments to the EITC Advisory Council, using the Idaho State Historical Society Board of Trustees and the Idaho State Library Board as a model. First reading was approved as written at the August 13-14, 2003 Board Meeting. No changes have been made since the first reading.

DISCUSSION

The suggested changes to this policy will make procedures for appointments for the Eastern Idaho Technical College Advisory Council consistent with procedures for appointments to the Idaho State Historical Society Board of Trustees and the Idaho State Library Board.

BOARD ACTION

To approve for final reading changes to Section IV.E. Eastern Idaho Technical College.

Moved by _____ Seconded by _____ Carried: Yes ___ No ___

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Idaho State Board of Education

GOVERNING POLICIES AND PROCEDURES

SECTION: IV. ORGANIZATION SPECIFIC POLICIES AND PROCEDURES

Subsection: I. Eastern Idaho Technical College

April 2002

I. Eastern Idaho Technical College

EITC is responsible for fostering and promoting Professional-Technical Education services in Region VI in Idaho under Idaho Code.

~~EITC Advisory Council — Established by Statute.~~

~~33-2212. Creation of advisory council — Members — Compensation. — The state board for professional-technical education may appoint an advisory council consisting of not less than twelve (12) nor more than fifteen (15) persons to offer counsel and advice in the organization, establishment and conduct of the Eastern Idaho Technical College. Members of the council will serve without salary but shall be compensated as provided by section 59-509(b), Idaho Code. Members of said council shall be appointed from as nearly as is practicable the vocational area to be served by the Eastern Idaho Technical College as determined by the state board for professional technical education.~~

1. EITC Advisory Council.

a. The EITC Advisory Council shall be appointed by the Board as provided for in Idaho Code §33-2212.

~~a. The EITC Advisory Council consists of the State Division of Professional-Technical Education Administrator and the EITC president as ex-officio members, and other members appointed by the State Board for Professional-Technical Education, each to a term of three (3) years. An appointment to the EITC Advisory Council cannot be made until the nominations process has concluded.~~

b. The EITC Advisory Council consists of the State Division of Professional-Technical Education Administrator and the EITC president as ex-officio members, and other members appointed by the State Board for Professional-Technical Education, each to a term of three (3) years. An appointment to the EITC Advisory Council cannot be made until the nominations process has concluded.

~~b. The State Board for Professional-Technical Education shall solicit nominations for members of the EITC Advisory Council which it appoints through utilization of both of the following methods:~~

~~(1) From the Current EITC Advisory Board.~~

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~~The State Board for Professional Technical Education shall, when an appointment to the EITC Advisory Council is required, solicit from the current Council nominations for the position of Council members. The State Board for Professional Technical Education's call for such nominations shall include qualifications believed to be necessary to serve as a member of the EITC Advisory Council.~~

~~(2) From the public through advertisement in regional newspapers.~~

~~The State Board for Professional Technical Education shall, when an appointment to the EITC Advisory Council is required, solicit from the general public nominations for the position of Council members through advertisement in regional newspapers. The State Board for Professional Technical Education's advertisement for such nominations shall include qualifications believed to be necessary to serve as a member of the EITC Advisory Council.~~

c. Advisory Council Procedures:

(1) Incumbent Reappointment.

In the event that the incumbent candidate is interested in reappointment, the Advisory Council shall forward a recommendation to the Board, along with a letter of interest and statement of qualifications for the incumbent. The Board may choose to reappoint the incumbent without soliciting other candidates, thus completing the appointment procedures. If there is no incumbent seeking reappointment, or if the Board chooses not to reappoint an incumbent, the procedures are as outlined in item (2).

2. Open Appointment

(a) The EITC Advisory Council, on behalf of the Board, will advertise the vacancy in regional newspapers. Such advertisement will solicit interested persons to apply for the vacant position on the EITC Advisory Council.

(b) Each applicant must provide a written statement expressing his or her interest in becoming a member of the EITC Advisory Council. Each applicant must also provide evidence of his or her qualifications for the position and each applicant must identify his or her primary residence.

(c) The EITC Advisory Council will review all applications for the vacant position and conduct interviews as deemed necessary. The purpose of the review of applications is to eliminate from further consideration all but the most qualified applicants.

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(d) The EITC Advisory Council will forward only the most highly qualified applicants, in order of preference, through the EITC President to the State Board of Education for consideration. The Board may provide for interviews of the applicants, or may make the appointment based on the recommendation of the EITC Advisory Council.

(e) The State Board for Professional-Technical Education EITC Advisory Council shall solicit such nominations beginning with the acceptance of any resignation or as soon as a vacancy shall occur for any other reason, and shall appoint a replacement within ninety (90) days of the beginning of solicitation for nominations.

~~In any case, regional representation on the EITC Advisory Council shall be maintained according to the discretion of the State Board for Professional-Technical Education.~~

~~23. Policies and Procedures~~

~~a. The EITC Advisory Council will operate under the State Division of Professional-Technical Education Advisory Committee Handbook.~~

~~b. The EITC Advisory Council will submit annually to the Board through the EITC president, an annual report. The report will consist of minutes (brief and concise) of meetings. Recommendations for consideration by the State Division of Professional-Technical Education and the Board will be included. This document will also include a brief annual report prepared by the EITC president.~~

a. The EITC Advisory Council will operate under the Professional-Technical Administrators Handbook for Advisory Committees.

b. The EITC Advisory Council will submit an annual report to the Board through the EITC president. The report will include recommendations for consideration by the Board.

~~3. Implementation~~

~~Implementation of this policy will include computation of the three-year terms for current advisory council members. Current members may serve until the Board appointment process has been completed. The state administrator will recommend to the Board for its consideration, an orderly staggered sequence of terms.~~

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SUBJECT

First Reading- Section I. J. Use of Institutional Facilities and Services

BACKGROUND / DISCUSSION

Currently, the Board has in place an IDAPA rule that provides requirements relative to alcohol at public, higher education institutions. Previous Boards have provided exceptions to the alcohol rules on a case-by-case basis for certain venues. The last time a request for an exception was forwarded to the Board, concern was expressed over the lack of definitive guidelines allowing for waivers of the prohibition found in Board rule. Thus, the Board is now pursuing, and has approved a proposed change, to the IDAPA rule that would allow waivers to the alcohol prohibition on campus grounds "as provided in the Board's Governing Policies and Procedures."

A working group of representatives from the universities and Board staff have developed proposed changes to the Board's Governing Policies and Procedures to provide the guidelines for such waivers. The following principles have guided the development of this policy:

- **The use of alcohol in appropriate social settings is part of the culture in which we live, and allowing the institutions to manage the use of alcohol in selected social settings, for individuals of age, provides an opportunity to set an example of responsible use.**
- **The best environment for the responsible service of alcoholic beverages is one in which the beverages are offered for sale, the areas where the beverages are allowed are clearly marked, and age identification is required. This management method provides for the best oversight and management, and provides an opportunity for teaching socially responsible use of alcohol.**
- **A policy that focuses on a consistent set of criteria and guidelines to be used by the institutions in permitting alcohol use rather than one that focuses on site-specific allowances would allow the institution necessary flexibility when facilities are used to meet the needs of the local community, alumni, and visitors.**

BOARD ACTION

To approve for first reading the revisions to Section I. J. Use of Institutional Facilities and Services related to alcohol on campus.

Moved by _____ Seconded by _____ Carried: Yes ___ No ___

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Idaho State Board of Education

GOVERNING POLICIES AND PROCEDURES

SECTION: I. GENERAL GOVERNING POLICIES AND PROCEDURES

SUBSECTION: J. Use of Institutional Facilities and Services ~~with Regard to the Private Sector~~

J. Use of Institutional Facilities and Services ~~with Regard to the Private Sector~~

1. Use of Institutional Facilities and Services

a. Consistent with education's primary responsibilities of teaching, research, and public service, the institutions, under the governance of the State Board of Education, have and will continue to provide facilities and services for educational purposes. Such services and facilities, when provided, should be related to the mission of the institution and not directly competitive with services and facilities reasonably available from the private sector. The institutions' provision of services and facilities should be educationally related. In addition, the State Board of Education recognizes that the institutions have a role in assisting community and economic development in a manner that supports the activities of the private sector. To this end, cooperation with local, state, and federal agencies is encouraged.

2b. Priority and guidelines for use of institutional services and facilities is as follows:

a(1) Institutionally sponsored programs and projects.

B(2) Community programs or projects of an educational nature where the services or facilities provided by the institutions are directly related to the teaching, research, or service mission of the institution.

C(3) Local, state, or federally sponsored programs and projects.

 The institutions will maintain a list of special events, services and facilities provided in those special events, the sponsor's name, the date of the use, and the approximate number of persons attending. This list will be available for public inspection. Individual institutional policies should be adopted in accordance with this general philosophy and policy statement of the State Board of Education. To this end, a coordinated effort between the public and private sector is encouraged.

2. Possession, Consumption, and Sale of Alcoholic Beverages at Institutional Facilities

State Board of Education Administrative Rule IDAPA 08.01.08 provides requirements relative to alcoholic beverages on campus grounds. The chief executive officer of each institution may provide exceptions to the rule as provided herein.

a. Possession or consumption of alcoholic beverages may be permitted in the living quarters of persons of legal age.

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b. An Institutional Beverage Permit, allowing the sale or consumption of alcohol at events on campus grounds, may be issued if the following minimum conditions are met. An institution may develop and apply more stringent conditions for the issuance of a Beverage Permit.

- (1) Institution approval, in the form of a Beverage Permit, must be obtained in order to serve or sell alcoholic beverages at any event on institution property.
- (2) The institution will review the purposes for and the circumstances associated with the proposed event before application for a Beverage Permit is approved.
- (3) Institutional Dining Services or Designee shall cater the serving of alcoholic beverages on campus in all places other than in private residence areas.
- (4) The serving of alcoholic beverages must be part of a planned food and beverage program rather than a program serving alcoholic beverages only. Food must be available at the program.
- (5) Non-alcoholic beverages must be available at the event and as readily available as alcoholic beverages.
- (6) Members of the general public who have not purchased a ticket or received an invitation for an event or activity where alcoholic beverages will be served shall not be admitted to the event or activity.
- (7) The Beverage Permit and the appropriate city catering permit for alcoholic beverages shall be posted in a conspicuous place at the premises where the event is held.
- (8) The sale, service and consumption shall be confined to the specific room or area identified on the Beverage Permit Application.
- (9) Organizers of the activity must comply with all laws of the State of Idaho and the local jurisdiction.
- (10) The person/group applying for the Beverage Permit assumes full responsibility to ensure that no one under the legal drinking age is supplied with any alcoholic beverage or allowed to consume any alcoholic beverage at the particular function for which the permit is issued.

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(11) Guidelines shall apply to university and non-university groups using institutional facilities.

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SUBJECT

Idaho State Historical Society
Proposed Idaho State Historic Preservation and Cultural Enhancement Act

Steve Guerber, Director, Idaho State Historical Society, will give a presentation.

BACKGROUND

Attached is a draft copy and material related to proposed legislation that the Idaho State Historical Society wishes to submit to the Idaho State Board of Education with the hope the Board will concur with the desire of the ISHS Board of Trustees to have it introduced and passed in the next session of the Idaho Legislature.

DISCUSSION

By identifying and supporting projects related to historic and cultural preservation, interpretation and education, funds generated by passage of the Act would enhance cultural tourism (heritage tourism is among the fastest growing segment of that industry), create jobs in both rural and urban areas, attract matching funds from federal and private resources, boost community pride, and respond at the state level to the history-related initiatives like "Preserve America" and "Save America's Treasures" and the "We The People Forum on American History, Civics and Service" that have recently been implemented by the White House.

As each session of the Legislature passes, it has come increasingly obvious that some significant action has to take place if Idahoans are to effectively address the massive backlog of historic preservation and cultural resource projects found throughout our state. The existing process that ties the budget of a small agency like the Idaho State Historical Society to the ebb and flow of widely fluctuating state funding resources is never going to provide the adequate and stable solution of an ongoing nature that will be necessary to deal with this issue at the state and local level.

In addition to providing financial resources to deal with a wide variety of projects in need of support state wide, passing the ISHPACE Act would also offer a means for funding the state's largest and most challenging preservation project – the restoration and renovation of the Idaho State Capitol Building.

An extensive investigation by the Idaho State Historical Society of revenue sources used by other states in preparation for advancing the concept of historic preservation and/or cultural enhancement found a wide-ranging array of methods for generating varying amounts in support of such needs. Included among such funding resources in others states were percentage allocations from lottery money; a voluntary "check off" of donations on tax forms; additional tax credits for donations to historical agencies and projects; hotel-motel occupancy fees; mortgage transaction fees; and annual appropriations from the state general fund earmarked for historic preservation and cultural projects.

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After studying the pros and cons of various options that other states are using, the Idaho State Historical Society concluded that the simplest and most cost effective approach for generating new revenue in our state for this purpose would be to apply the process currently used to provide an ongoing stream of funding to the existing Permanent Building Fund. By increasing the fee that is earmarked for the Permanent Building Fund and is paid at the time a tax form is filed from \$10 to \$20, the additional funds could be dedicated to an Idaho Historic Preservation and Cultural Enhancement Fund to deal with this specific issue. (The current fee first appeared on tax forms as a \$10 excise tax in 1960 and has not been increased in 43 years).

According to Idaho State Tax Commission figures for the past four years, the existing \$10 fee on the state's tax form has generated an average \$6 million annually to the Permanent Building Fund in the past four years (\$5.5 million in FY01, \$5.5 million in FY02, \$6.6 million in FY03, \$6.0 million in FY04). It is likely, therefore, that the same process could generate a similar amount annually for an Idaho State Historic Preservation and Cultural Enhancement Fund.

If that were the case, by incorporating \$3 million from a new Historic Preservation and Cultural Enhancement Fund into the existing revenue received by the Capital Commission from endowment lands, there would be an adequate source of revenue to allow bonding for renovation of the Statehouse (most recently estimated at \$50-55 million for the project). The remaining revenue of roughly \$3 million would then be distributed for historic preservation, cultural resource, interpretation and education projects throughout the Gem State.

Distribution of that roughly \$3 million for statewide projects would take place in the form of grants similar to those allocated for infrastructure and economic development projects by the Idaho Department of Commerce through its Community Development Block Grants program.

In the case of the Historic Preservation and Cultural Enhancement Fund, the seven-member Board of Trustees of the Idaho State Historical Society appointed by the State Board of Education -- each representing one of the seven judicial districts in the state and providing wide geographic representation -- would follow an appropriate review process to identify projects that would be of benefit to historic preservation and cultural resources from among applications received. Input on the final selection would come from a 14-member Advisory Board representing historic preservation groups, cultural organizations and the general public.

The growing threat to our state's historic and cultural resources is alarming and in the past six years there has never seemed to be an "ideal time" at the Legislature to commit the resources necessary to face up to this issue. Archival material, historical artifacts, museums, historic sites, cultural resources and other heritage preservation needs are not frills to be ignored when money is available and discarded when budgets are tight. They are important if we are to recognize the heritage upon which

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this state is built, and if we are to recognize its attraction to those who visit our state, move to our state, or have and will continue to call Idaho "home" in the past, present and future.

Steve Guerber, Director of the ISHS, has had discussions with a number of legislators in key positions and other interested organizations in the recent past and has reported a positive response to this proposal. There is both recognition of the need for the preservation of our state's heritage, and of the need for creation of a new funding source to deal with that need.

Support of the State Board of Education for this proposal to implement an Idaho State Historic Preservation and Cultural Enhancement Act in 2004 is important in seeking successful consideration of this undertaking. That endorsement would be an important voice in assuring a future for our state's past.

Attached are a list of key points of the proposed Idaho State Historical Preservation and Cultural Enhancement (ISHPACE) Act of 2004, and a draft of the proposed legislation.

BOARD ACTION

A motion to support the Idaho State Historical Preservation and Cultural Enhancement Act .

Moved by _____ Seconded by _____ Carried: Yes ___ No ___

KEY POINTS

**Of The Proposed Idaho State Historic Preservation
And Cultural Enhancement (ISHPACE) Act of 2004**

- Provides an economic stimulus by making available funds statewide for history-related restoration, renovation and preservation projects and enhancement to cultural resources in both rural and urban areas.
- Enhances the attraction of the rapidly growing heritage and cultural tourism industry in Idaho by improving the appeal of historic sites, interpretative areas, and cultural offerings.
- Provides a new (non-General Fund) source of revenue to finance long-term revenue bonds that would allow the Idaho State Capitol Building preservation and infrastructure project to take place.
- Provides a new source of revenue for attracting and matching federal and private grants in support of historic preservation, interpretation, education, and cultural resource projects in Idaho.
- Provides a new source of revenue for state agencies (i.e., Historical Society, Transportation, Parks and Recreation, colleges and universities, Commission on the Arts) to deal with a backlog of history-related preservation and restoration needs on state-owned facilities and properties.
- Provides an opportunity for cities, counties and state agencies to seek funding support for processing, cataloguing and appropriately preserving and storing their existing backlog of government records and documents of historic significance.
- Implements preservation procedures at the state level similar to those already existing at the federal level, as well as among the many cities and counties in Idaho that have adopted heritage conservation ordinances.
- Responds to the objectives of federal initiatives like “Preserve America” and “Save America’s Treasures,” and the “We The People Forum on American History, Civics and Service,” all of which have been implemented recently by the White House as heritage and cultural preservation programs.
- Provides an opportunity to fund a project encouraging the production of a new Idaho history book and related curriculum to replace the 20-year-old material currently used at the fourth grade level.
- Provides an opportunity for financial support and funding of scholarships for the Idaho History Day competition and the National History Day program offered statewide in grades 4 through 12.

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- Provides an opportunity to fund traveling exhibits related to the state's history and culture for appearance at museums, libraries, arts facilities, and community centers throughout the state.
- Provides an opportunity to fund a Cemetery Preservation Project that would document the location of all known cemetery and grave sites throughout the state so information could be used in planning future roads and other development, as well as to upgrade records and permanently preserve that data for historic and family research projects.

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DRAFT
IDAHO STATE HISTORIC PRESERVATION
AND CULTURAL ENHANCEMENT ACT OF 2004

STATEMENT OF PURPOSE

RS

The proposed changes recognize the state's continuing obligation to protect and preserve its heritage and cultural resources by clarifying the role, responsibility, and authority of the Idaho State Historical Society with respect to project review and archival duties; and by providing a continuing, predictable source of dedicated funds for use in the statewide preservation of cultural resources, historic buildings, structures, artifacts, and records, enhancement of statewide cultural and historic education opportunities, and funding for research purposes.

FISCAL IMPACT

There will be no fiscal impact to the general fund or to local government funds. Oversight of the grant program of the Historic Preservation and Cultural Enhancement Fund Account will require the addition of two full-time permanent positions (a Grants/Contract Officer and a Financial Technician) to be paid from dedicated funds allocated to the Historic Preservation and Cultural Enhancement Fund. Review of state projects by the State Historic Preservation Office will require the addition of one full-time permanent position (a Preservation Review Officer) also to be paid from dedicated funds allocated to the Historic Preservation and Cultural Enhancement Fund.

CONTACT

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Statement of Purpose/Fiscal Impact

PLANNING, POLICY & GOVERNMENTAL AFFAIRS AGENDA
October 2-3, 2003

DRAFT / September 17, 2003
ISHPACE Act Legislation

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO.

AN ACT

RELATING TO THE CREATION OF THE IDAHO STATE HISTORIC PRESERVATION AND CULTURAL ENHANCEMENT ACT OF 2004 AND AN IDAHO HISTORIC PRESERVATION AND CULTURAL ENHANCEMENT FUND: AMENDING CHAPTER 41, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 67-4101, IDAHO CODE, CLARIFYING LEGISLATIVE INTENT; AMENDING CHAPTER 41, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 67-4102, IDAHO CODE, AUTHORIZING HISTORIC PROJECT REVIEW; AMENDING SECTION 67-4126, IDAHO CODE, TO RELOCATE REFERENCE TO ARCHIVAL DOCUMENTS TO A NEW SECTION; AMENDING CHAPTER 41, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 67-4126A, IDAHO CODE, TO CLARIFY THE ARCHIVAL ROLE, RESPONSIBILITY AND AUTHORITY OF THE HISTORICAL SOCIETY RELATING TO THE ARCHIVAL AND PRESERVATION OF HISTORIC DOCUMENTS; AMENDING TITLE 57, IDAHO CODE, BY THE ADDITION OF A NEW CHAPTER 21, TITLE 57, IDAHO CODE, TO PROVIDE FOR THE CREATION OF THE IDAHO HISTORIC PRESERVATION AND CULTURAL ENHANCEMENT FUND ACCOUNT AND SETTING FORTH ITS PURPOSE; TO PROVIDE FOR THE PERPETUAL APPROPRIATION OF FUNDS WITHIN THE IDAHO HISTORIC PRESERVATION AND CULTURAL ENHANCEMENT FUND ACCOUNT AND TO EXEMPT THOSE FUNDS FROM THE PERMANENT BUILDING FUND; TO PROVIDE FOR AN ADDITIONAL TAX ON FILING INCOME TAX TO BE CREDITED TO THE IDAHO HISTORIC PRESERVATION AND CULTURAL ENHANCEMENT FUND ACCOUNT; TO PROVIDE FOR THE REFUND OF THAT PORTION OF AN INCOME TAX FILING FEE CREDITED TO THE IDAHO HISTORIC PRESERVATION AND CULTURAL ENHANCEMENT FUND ACCOUNT; AMENDING CHAPTER 41, TITLE 67, IDAHO CODE BY THE ADDITION OF A NEW SECTION 67-4129B PROVIDING FOR THE DEDICATION AND ALLOCATION OF FUNDS WITHIN THE IDAHO HISTORIC PRESERVATION AND CULTURAL ENHANCEMENT FUND ACCOUNT; AND AMENDING SECTION 63-3082, IDAHO CODE TO INCREASE THE ADDITIONAL TAX REQUIRED WHEN FILING AN INCOME TAX RETURN FROM TEN TO TWENTY DOLLARS.

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

SECTION 1. That Chapter 41, Title 67, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 67-4101, Idaho Code, and to read as follows:

67-4101. Legislative intent. It is the intent of the legislature in enacting this chapter to acknowledge the state's interest in and continuing obligation to recognize, protect and preserve its heritage and cultural resources by clarifying the role, responsibility and authority of the Idaho State Historical Society and by providing a continual, predictable source of dedicated funds for the statewide preservation of properties, sites, structures, artifacts, records and cultural programs of historic significance, enhancing the availability and dissemination of cultural and history-related information, materials and funding for economic, educational, entertainment and research purposes.

SECTION 2. That Chapter 41, Title 67, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 67-4103, Idaho Code, and to read as follows:

67-4102. Project review. The State Historic Preservation Office (SHPO) shall review all building or construction projects or other projects that take place on, encompass, or that otherwise might impact or disturb state lands at the time the project is proposed.

1. The review will ascertain if there are any historically significant aspects of the property involved and, if so, will recommend modifications to the proposed project that would eliminate or reduce the project's potential negative impact on those historically significant aspects.

2. The SHPO is not authorized to specifically delay or halt a project. Any action subsequent to a SHPO determination of a potentially negative impact of a project on a historically significant aspect of a property is within the discretion of the Division of Public Works and the state agency proposing the project.

3. Projects that take place on state lands, or that encompass state-owned structures and/or artifacts, must be submitted to the SHPO for review at the time planning begins on the project.

a. The SHPO may respond to the project proposal within thirty (30) days of its receipt.

b. If the SHPO fails to respond as set forth in 3(a), above, the project may proceed.

c. If the SHPO chooses to respond, it may recommend that the project proceed as proposed or it may recommend modifications that would eliminate or reduce the negative impact.

SECTION 3. That Section 67-4126, Idaho Code, be, and the same is hereby amended to read as follows:

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67-4126. Powers and duties of board. The board of trustees of the society shall have powers and duties as follows:

1. To appoint a director of the society as provided herein and advise him in the performance of his duties and formulate general policies affecting the society.
2. To encourage and promote interest in the history of Idaho and encourage membership in the society.
3. To collect for preservation and display artifacts and information illustrative of Idaho history, culture and society.
4. To print such publications and reports as may be deemed necessary.
5. To encourage creation of county historical societies and museums in the counties of Idaho.
6. To facilitate the use of Idaho records for official reference and historical research.
- ~~7. To accept from any state, county, or city, or any public official, any official books, records, documents, original papers, newspaper files, printed books, or portraits, not in current use. When such documents are so accepted, copies therefrom shall be made and certified under the seal of the society upon application of any person, which person shall pay for such copies reasonable fees established by the society.~~
- ~~8. To require that any state, county, or city, or any public official, deposit official books, records, documents, or original papers, not in current use, which are of definite historical importance, in the society for preservation and to provide methods whereby such materials, which have no significance, may be destroyed.~~
97. To establish such rules as may be necessary to discharge the duties of the society.
108. To employ such personnel as may be necessary for the administration of its duties in accordance with the rules of the administrator of the division of human resources promulgated pursuant to chapter 52, title 67, Idaho Code.
119. To have and use an official seal.
1210. To delegate and provide subdelegation of any such authority.
1311. To identify historic, architectural, archaeological, and cultural sites, buildings, or districts, and to coordinate activities of local historic preservation commissions.
1412. To serve as the geographic names board of the state of Idaho.

SECTION 4. That Chapter 41, Title 67, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 67-4126A, Idaho Code, and to read as follows:

67-4126A. Archival powers and duties of the board. The board of trustees of the society shall, as physical plant, budgetary and personnel constraints allow:

1. Provide archival services for the various departments and agencies within state government. These responsibilities include, but are not limited to, accepting from any state, county, city, or other agency or public official, any and all official books, records, documents, original papers, materials maintained in electronic form, newspaper files, printed books, or portraits, regardless of form or format, not in current use.

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2. When documents are accepted for archival, copies therefrom shall be made and certified under the seal of the society upon application of any person, which person shall pay for such copies reasonable fees established by the society.
3. The obligation to provide a copy of the archived records does not supercede the provisions of the Idaho public records act or other confidentiality statutes or provisions of state law.
 - a. By virtue of its providing storage for archival records, the board of trustees does not assume the responsibility of the custodian of the records for the purpose of responding to requests for public records that may be exempt from disclosure.
 - b. Requests for public records that may be exempt from disclosure will be referred directly to the agency that was the original source of the archived records.
4. Require that any state, county, city, or other agency or public official, deposit official books, records, documents, or original papers, not in current use, which, in the opinion of the board of trustees, are of definite historical importance, in the society for preservation and to provide methods whereby such materials, which have no significance, may be destroyed.
5. Require that every state, county, city, or other public agency or official, regardless of other records retention schedules, policies, or similar procedures, contact the society prior to disposing or destroying any official books, records, documents, or original papers, including electronically maintained materials and information, regardless of form or format.
6. Promulgate rules as necessary to facilitate the archival process, including the promulgation of a schedule of fees for the purpose of offsetting the costs of archival and archival-related services.

SECTION 5. That Title 57, Idaho Code, be, and the same is, hereby amended by the addition of a new Chapter 21.

The Legislature finds and declares that sites, structures, artifacts, documents and records possessing historical significance are cultural resources of the state of Idaho; that the identification, preservation and interpretation of such resources and the enhancement of education, economic, entertainment and research opportunities with respect to those resources is in the interest of the citizens of Idaho; and that it is appropriate that the fulfillment of these functions not depend entirely upon the availability of general funds but shall be enhanced by additional funds provided specifically for that purpose.

CHAPTER 21
IDAHO HISTORIC PRESERVATION
AND CULTURAL ENHANCEMENT FUND ACCOUNT

57-2101. IDAHO HISTORIC PRESERVATION AND CULTURAL ENHANCEMENT FUND ACCOUNT – Creation and Purpose. The Idaho Historic Preservation And Cultural Enhancement Fund Account is hereby created and established in the state treasury to which shall be deposited all revenue derived from taxes imposed and money accruing for the purposes of the account. All money now or hereafter in the account is hereby dedicated to the purpose of assisting the Idaho State Historical Society in identifying, preserving, and interpreting Idaho's history and cultural resources, and for enhancing educational, entertainment, economic and

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research opportunities related to the state's history and cultural heritage. The trustees of the Idaho state historical society are charged with the administration of the account for the purposes specified herein. The provisions of sections 67-4126 and 67-4126A, Idaho Code, are made applicable for the provisions of this section. All claims against the account shall be examined, audited and allowed in the same manner now or hereafter provided by law for claims against the state.

57-2102. Appropriation - Purpose - Limitations and Conditions - Exemption from Permanent Building Fund.

All unencumbered and otherwise unappropriated funds now or hereafter placed in the Idaho Historic Preservation and Cultural Enhancement Fund Account are hereby perpetually appropriated to the Idaho Heritage Preservation and Cultural Enhancement Fund Account, subject to the provisions of chapter 21, title 57, Idaho Code. Funds within the Idaho Heritage Preservation and Cultural Enhancement Fund Account are exempt from the provisions of the Permanent Building Fund as the same are set forth in Chapter 11, Title 57, Idaho Code.

57-2103. Additional tax on filing income tax credited to Idaho Historic Preservation and Cultural Enhancement Fund Account.

The state tax commission of the state of Idaho is hereby directed to deposit ten dollars (\$10.00) for each tax return it processes in regard to which the taxpayer is required to pay the tax imposed by section 63-3082, Idaho Code, directly to the credit of the Idaho Historic Preservation and Cultural Enhancement Fund Account.

57-2104. Refund of tax.

When it is determined that a taxpayer is entitled to a refund of the income tax filing fee, after any such portion thereof has been credited to the Idaho Historic Preservation and Cultural Enhancement Fund Account, the tax collector hereby is empowered to authorize and direct refund of said tax, or portion thereof so credited, from said Idaho Historic Preservation and Cultural Enhancement Fund Account.

SECTION 6. That Chapter 41, Title 67, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 67-4129B, Idaho Code, and to read as follows:

67-4129B. Idaho Historic Preservation and Cultural Enhancement Fund Account - Dedication and Allocation of Funds.

1. Money now or hereafter in the Idaho Historic Preservation and Cultural Enhancement Fund Account is hereby dedicated for the purpose of assisting with the identification, preservation, and interpretation of the history and cultural heritage of Idaho, and to enhance economic, educational, entertainment and research opportunities related to the state's history and cultural resources.

2. After the Idaho Historic Preservation and Cultural Enhancement Fund Account is reduced by the amount necessary to pay the reasonable costs of administration of same, one half of all funds remaining shall be hereby allocated to the Idaho Capitol Commission for preservation of the Idaho State Capitol Building until such time as the Legislature deems the preservation of the Idaho State Capitol Building to be substantially complete. Once the

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preservation of the Idaho State Capitol Building is deemed substantially complete, the money remaining in the Idaho Historic Preservation and Cultural Enhancement Fund Account after it is reduced by the amount necessary to pay the reasonable costs of administration of same, shall be allocated as set forth below.

3. The board of trustees of the Idaho historical society shall appoint a 14-member Historic Preservation And Cultural Enhancement Fund Advisory Panel to make recommendations on dissemination of funds not allocated to the Idaho Capitol Commission from the Idaho Historic Preservation and Cultural Enhancement Fund Account. The 14-member advisory panel shall include five members at large and one representative each from the State Historic Records Advisory Board, Historic Sites Review Board, Idaho State Historical Society, Idaho Commission on the Arts, Idaho State Library, Idaho Department of Parks and Recreation, Idaho Department of Commerce, Idaho Heritage Trust, and Idaho Humanities Council. In making its appointments to the advisory panel, the board of trustees shall have discretion with respect to the five at large members. The board of trustees' appointment of the individual representatives for the various agencies and entities to be represented on the advisory panel shall be based solely on the recommendation of the agency or entity that the appointee is to represent.

4. At least one fourth of all money credited to the Idaho Historic Preservation and Cultural Enhancement Fund Account and not otherwise expended on administrative costs or allocated to the Idaho Capitol Commission for preservation of the Idaho State Capitol Building shall be allocated directly to grant making in support of cultural heritage programs related to the arts and humanities.

5. The executive director of the historical society shall provide annually, to the legislative services office, an accounting of the Idaho Historic Preservation and Cultural Enhancement Fund Account, setting forth the applications and balance of money within the account.

6. The advisory panel shall meet as necessary. At least 7 members must be present to form a quorum and a simple majority of the quorum shall be sufficient for the adoption of motions. At its first meeting each year, the advisory panel shall elect one of its members to serve as chairman. The chairman shall not vote except in the case of a tie.

SECTION 7. That Section 63-3082, Idaho Code, be, and the same is hereby amended to read as follows:

63-3082. Additional tax required when filing income tax return.

(1) Every person required to file an income tax return shall pay a tax of ~~ten~~**twenty** dollars (\$~~10~~**20**.00). For this purpose, a husband and wife filing a joint return shall be deemed a single person. This tax shall be in the nature of an excise tax upon the receipt of the income which requires the filing of such return.

(2) When, pursuant to section 63-3022L, Idaho Code, the income tax of an individual officer, director, shareholder, partner or member of a corporation or partnership, or of a beneficiary of a trust or estate is paid by the corporation, partnership, trust or estate, the corporation, partnership, trust or estate shall also pay the tax imposed in subsection (1) of this section for each individual.

(3) For purposes of this section, a husband and wife filing a joint federal return may be deemed a single individual.

September 17, 2003 Revised Draft