

SUBJECT

Governor's 2016 Legislative Education Initiatives

BACKGROUND/DISCUSSION

Governor Otter provided his State-of-the-State address to a joint session of the Idaho legislature on January 11, 2016. As part of his speech, Governor Otter publicly unveiled his FY 2017 budget recommendations and 2016 legislative initiatives. These initiatives are intended to move Idaho forward toward realization of the Board's 60% educational attainment goal, as well as recognizing the need of educational programs that focus on workforce needs. The budget recommendations and other legislative initiatives continue implementation of the Task Force for Improving Education recommendations and additional strategies for higher education.

Governor Otter continues to pledge his support for public education. As part of his package of budget and legislative proposals for the 2016 legislative session, Governor Otter highlighted the following priorities:

Task Force Recommendations

- Career Ladder
- Restoration of Operational (discretionary) Funding
- Literacy Proficiency
- Teacher Professional Development
- Classroom Technology
- College and Career Advising
- Mastery-Based Education System Planning and Assessments
- Public School Funding (Stability and Mobility)

Legislative Initiatives

- Science, Technology, Engineering and Mathematics (STEM) Education Fund – Creates a fund to support the initiatives and work of the Idaho STEM Action Center. The STEM Action Center was created to drive student experience, engagement, industry alignment, and provide Idaho students with competitive employment opportunities in science, technology, engineering and mathematics.
- STEM Education Fund Contribution Tax Credit – Adds the STEM Education Fund to those educational entities for which a taxpayer would qualify for an income tax credit.
- Computer Science Initiative - This initiative provides for computer science instruction in public schools. It sets out a timeline for the adoption of computer science content standards, increased access to computer science instructional resources, incentives for teachers to earn a computer science endorsement, and the continued establishment of postsecondary computer science courses of study.

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- Idaho Completion Scholarship – This new scholarship will incentivize Idahoans with some college, but no degree or certificate, to finish a postsecondary program. The scholarship is intended to support students returning to college after an absence of at least three (3) years to complete their first undergraduate degree. Applicants who meet eligibility criteria may qualify for up to \$3,000 per academic year for up to eight (8) consecutive semesters.

- Fixed Rate Tuition – The Fixed Rate Tuition plan offers stabilization and predictability of tuition costs according to a tuition schedule that will remain unchanged for four years for each cohort of eligible undergraduate resident students. This program ensures that the tuition rate first charged to a resident undergraduate student will remain constant for a period of four continuous academic years following initial enrollment. Monies would be set aside in the Higher Education Stabilization Fund for the purposes of offsetting any costs to the institutions should student participation in the Fixed Rate Tuition program outpace appropriations for the initiative. This legislation includes a sunset of July 1, 2021.

- Higher Education Stabilization Fund - Community College Monies – Provides for a mechanism by which one time money could be appropriated to the Higher Education Stabilization Fund to be used as start-up funds for a community college in eastern Idaho should voters in the region create a community college taxing district.

- Read Act – Requires parent notification as well as involvement in a student's reading improvement plans, for those students that are identified as basic or below basic on the statewide reading assessment and reiterates that these plans must be in alignment with the Idaho comprehensive literacy plan.

IMPACT

The recommendations and initiatives will further advance the Board's 60% percent educational attainment goal and Governor Otter's kindergarten to career agenda. The higher education initiatives will support students in the transition to college and eventual certification or degree completion. Formal Board endorsement will allow staff to advocate for the initiatives in addition to those the Board has put forward during the 2016 legislative session.

ATTACHMENTS

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Attachment 7 – Read Act

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Attachment 8 - Governor's FY 2017 Budget Recommendations

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STAFF COMMENTS AND RECOMMENDATIONS

The initiatives are in alignment with and supportive of the Boards 60% college attainment goal. Should the proposed legislation pass through the legislature the Board will need to promulgate Administrative Rules to further clarify the implementation and administration of the various programs. Staff recommends support for the Governor's FY 2017 education budget recommendations and 2016 legislative education initiatives.

BOARD ACTION

I move to endorse the Governor Otter's FY 2017 budget recommendations and 2013 legislative initiatives outlined in attachments 1 through 8.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

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STATEMENT OF PURPOSE

RS 24068

The legislation creates the STEM Education Fund to support the initiatives and work of the Idaho STEM Action Center. The STEM Action Center was created to drive student experience, engagement, industry alignment, and provide Idaho students with competitive employment opportunities in science, technology, engineering and mathematics.

FISCAL NOTE

The fund would be established through a one-time transfer of \$10 million from the General Fund. Spending authority from the fund would be subject to annual legislative appropriation.

Contact:

Marilyn Whitney
Office of the Governor
334-2100

Statement of Purpose/Fiscal Note

Bill No.

PLANNING, POLICY AND GOVERNMENTAL AFFAIRS
JANUARY 11, 2016

RS24068



LEGISLATURE OF THE STATE OF IDAHO



Sixty-third Legislature

Second Regular Session - 2016

IN THE _____

BILL NO. _____

BY _____

AN ACT

RELATING TO THE STEM EDUCATION FUND; AMENDING CHAPTER 8, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 67-824, IDAHO CODE, TO PROVIDE FOR THE STEM EDUCATION FUND AND RELATED PROVISIONS.

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

SECTION 1. That Chapter 8, 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 67-824, Idaho Code, and to read as follows:

67-824. STEM EDUCATION FUND. There is hereby created in the state treasury the STEM education fund to support the programs and priorities of the state in advancing science, technology, engineering and mathematics education. The STEM education fund may accept private contributions, moneys from other public agencies or moneys from any other source. The moneys shall be used solely for the purposes provided in section 67-823, Idaho Code, and be expended and accounted for as provided by law. All expenditures from the STEM education fund must be approved by the Idaho STEM action center board.

STATEMENT OF PURPOSE

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The legislation adds the STEM Education Fund to the educational entities for which a taxpayer would qualify for the existing income tax credit for charitable contributions to education-related funds. This will help incentivize individual and corporate donations to support the work of the Idaho STEM Action Center.

FISCAL NOTE

The estimated negative ongoing General Fund revenue impact is \$25,000 per year. This impact is based on the largest impact identified from a survey of other education agencies of similar size to the STEM Action Center.

Contact:

Marilyn Whitney
Office of the Governor
334-2100

Statement of Purpose/Fiscal Note

Bill No.

PLANNING, POLICY AND GOVERNMENTAL AFFAIRS
JANUARY 11, 2016

RS24070



LEGISLATURE OF THE STATE OF IDAHO
Sixty-third Legislature



Second Regular Session - 2016

IN THE _____

BILL NO. _____

BY _____

AN ACT

RELATING TO INCOME TAX CREDIT; AMENDING SECTION 63-3029A, IDAHO CODE, TO ALLOW A CERTAIN INCOME TAX CREDIT FOR A CHARITABLE CONTRIBUTION TO THE IDAHO STEM ACTION CENTER; REPEALING SECTION 63-3029A, IDAHO CODE, RELATING TO INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS AND LIMITATION; AMENDING SECTION 63-3029A, IDAHO CODE, AS AMENDED BY SECTION 5, CHAPTER 209, LAWS OF 2015, TO ALLOW A CERTAIN INCOME TAX CREDIT FOR A CHARITABLE CONTRIBUTION TO THE IDAHO STEM ACTION CENTER; AND PROVIDING EFFECTIVE DATES.

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

SECTION 1. That Section 63-3029A, Idaho Code, be, and the same is hereby amended to read as follows:

63-3029A. INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS -- LIMITATION. At the election of the taxpayer, there shall be allowed, subject to the applicable limitations provided herein, as a credit against the income tax imposed by chapter 30, title 63, Idaho Code, an amount equal to fifty percent (50%) of the aggregate amount of charitable contributions made by such taxpayer during the year to a nonprofit corporation, fund, foundation, trust, or association organized and operated exclusively for the benefit of institutions of higher learning located within the state of Idaho, including a university related research park, to nonprofit private or public institutions of elementary, secondary, or higher education or their foundations located within the state of Idaho, to a nonprofit corporation, fund, foundation, trust or association which is: (i) organized and operated exclusively for the benefit of elementary or secondary education institutions located within the state of Idaho; (ii) officially recognized and designated by resolution of the applicable governing board as any such elementary or secondary education institution's sole designated supporting organization; and (iii) qualified to be exempt from federal taxation under the terms of section 501(c)(3) of the Internal Revenue Code, for the express purpose of supplementing and enhancing a thorough system of public schools as defined in section 33-1612, Idaho Code, or supplementing and enhancing the private school which is the beneficiary, to Idaho education public broadcast system foundations within the state of Idaho, to the Idaho state historical society or its foundation, to the council for the deaf and hard of hearing, to the developmental disabilities council, to the commission for the blind and visually impaired, to the commission on Hispanic affairs, to the state independent living council, to the Idaho commission for libraries and to public libraries or their foundations and library districts or their foundations located within the state of Idaho, to the Idaho STEM action center, to nonprofit public or private museums or their foundations located within the state of Idaho and to dedicated accounts within the Idaho community founda-

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1 tion inc. that exclusively support the charitable purposes otherwise quali-
2 fying for the tax credit authorized under the provisions of this section.

3 (1) In the case of a taxpayer other than a corporation, the amount al-
4 lowable as a credit under this section for any taxable year shall not exceed
5 fifty percent (50%) of such taxpayer's total income tax liability imposed by
6 section 63-3024, Idaho Code, for the year, or five hundred dollars (\$500),
7 whichever is less.

8 (2) In the case of a corporation, the amount allowable as a credit un-
9 der this section for any taxable year shall not exceed ten percent (10%) of
10 such corporation's total income or franchise tax liability imposed by sec-
11 tions 63-3025 and 63-3025A, Idaho Code, for the year, or five thousand dol-
12 lars (\$5,000), whichever is less.

13 For the purposes of this section, "contribution" means monetary dona-
14 tions reduced by the value of any benefit received in return such as food, en-
15 tertainment or merchandise.

16 For the purposes of this section, "institution of higher learning"
17 means only an educational institution located within this state meeting all
18 of the following requirements:

19 (a) It maintains a regular faculty and curriculum and has a regularly
20 enrolled body of students in attendance at the place where its educa-
21 tional activities are carried on.

22 (b) It regularly offers education above the twelfth grade.

23 (c) It is accredited by the northwest commission on colleges and uni-
24 versities.

25 For the purposes of this section, a nonprofit institution of secondary
26 or higher education means a private nonprofit secondary or higher educa-
27 tional institution located within the state of Idaho, which is accredited
28 by the northwest commission on colleges and universities, or accredited
29 by a body approved by the state board of education. A nonprofit private
30 institution of elementary education means a private nonprofit elementary
31 educational institution located within the state of Idaho and accredited by
32 the state board of education pursuant to section 33-119, Idaho Code.

33 For the purposes of this section, "organized and operated exclusively
34 for the benefit of elementary or secondary education institutions" means
35 having an explicit provision in the supporting organization's bylaws or
36 other governing document that expressly identifies the elementary or sec-
37 ondary schools, or one (1) or more school districts, in the state of Idaho
38 that will be the exclusive beneficiary of the distributions of the nonprofit
39 corporation, fund, foundation, trust or association.

40 For the purposes of this section, a nonprofit corporation, fund, foun-
41 dation, trust or association that invests contributions in an endowment or
42 otherwise shall be subject to the standards of care imposed under section
43 33-5003, Idaho Code.

44 SECTION 2. That Section 63-3029A, Idaho Code, be, and the same is hereby
45 repealed.

46 SECTION 3. That Section 63-3029A, Idaho Code, as amended by Section 5,
47 Chapter 209, Laws of 2015, be, and the same is hereby amended to read as fol-
48 lows:

1 63-3029A. INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS -- LIMITA-
2 TION. At the election of the taxpayer, there shall be allowed, subject to the
3 applicable limitations provided herein, as a credit against the income tax
4 imposed by chapter 30, title 63, Idaho Code, an amount equal to fifty percent
5 (50%) of the aggregate amount of charitable contributions made by such tax-
6 payer during the year to a nonprofit corporation, fund, foundation, trust,
7 or association organized and operated exclusively for the benefit of insti-
8 tutions of higher learning located within the state of Idaho, including a
9 university related research park, to nonprofit private or public institu-
10 tions of elementary, secondary, or higher education or their foundations lo-
11 cated within the state of Idaho, to Idaho education public broadcast system
12 foundations within the state of Idaho, to the Idaho state historical soci-
13 ety or its foundation, to the council for the deaf and hard of hearing, to
14 the developmental disabilities council, to the commission for the blind and
15 visually impaired, to the commission on Hispanic affairs, to the state in-
16 dependent living council, to the Idaho commission for libraries and to pub-
17 lic libraries or their foundations and library districts or their founda-
18 tions located within the state of Idaho, to the Idaho STEM action center, to
19 nonprofit public or private museums or their foundations located within the
20 state of Idaho and to dedicated accounts within the Idaho community founda-
21 tion inc. that exclusively support the charitable purposes otherwise quali-
22 fying for the tax credit authorized under the provisions of this section.

23 (1) In the case of a taxpayer other than a corporation, the amount al-
24 lowable as a credit under this section for any taxable year shall not exceed
25 fifty percent (50%) of such taxpayer's total income tax liability imposed by
26 section 63-3024, Idaho Code, for the year, or five hundred dollars (\$500),
27 whichever is less.

28 (2) In the case of a corporation, the amount allowable as a credit un-
29 der this section for any taxable year shall not exceed ten percent (10%) of
30 such corporation's total income or franchise tax liability imposed by sec-
31 tions 63-3025 and 63-3025A, Idaho Code, for the year, or five thousand dol-
32 lars (\$5,000), whichever is less.

33 For the purposes of this section, "contribution" means monetary dona-
34 tions reduced by the value of any benefit received in return such as food, en-
35 tertainment or merchandise.

36 For the purposes of this section, "institution of higher learning"
37 means only an educational institution located within this state meeting all
38 of the following requirements:

39 (a) It maintains a regular faculty and curriculum and has a regularly
40 enrolled body of students in attendance at the place where its educa-
41 tional activities are carried on.

42 (b) It regularly offers education above the twelfth grade.

43 (c) It is accredited by the northwest commission on colleges and uni-
44 versities.

45 For the purposes of this section, a nonprofit institution of secondary
46 or higher education means a private nonprofit secondary or higher educa-
47 tional institution located within the state of Idaho, which is accredited
48 by the northwest commission on colleges and universities, or accredited
49 by a body approved by the state board of education. A nonprofit private
50 institution of elementary education means a private nonprofit elementary

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1 educational institution located within the state of Idaho and accredited by
2 the state board of education pursuant to section 33-119, Idaho Code.

3 For the purposes of this section, a nonprofit corporation, fund, foun-
4 dation, trust or association that invests contributions in an endowment or
5 otherwise shall be subject to the standards of care imposed under section
6 33-5003, Idaho Code.

7 SECTION 4. The provisions of Sections 2 and 3 of this act shall be in
8 full force and effect on and after January 1, 2020.

COMPUTER SCIENCE EDUCATION

STATEMENT OF PURPOSE

This bill provides for computer science instruction in public schools.

This bill defines terms, creates the computer science initiative for public schools, requires the STEM Action Center Board, the State Board of Education, and the State Department of Education to collaborate to develop and implement the initiative by:

- Adopting computer science learning standards developed by a nationally recognized computer science education organization.
- Maintaining, using and enhancing access to an online portal or repository of instructional resources;
- Providing for professional development on teaching computer science;
- Evaluating providers of computer science instructional software solutions;
- Communicating and supporting computer science initiatives;
- Distributing grants to school districts and charter schools to provide incentives for teachers to pursue training in computer science or earn a computer science endorsement;
- Collaborating to create technical postsecondary courses of study in areas related to computer science that meet workforce needs; and
- Requires the STEM Action Center and the State Board of Education to annually report on the initiative to the Education Interim Committee.

FISCAL IMPACT

\$94,300 in FY 2017 General Fund appropriations to the STEM Action Center will cover salary, benefits and operation costs for this initiative: Ongoing salary and benefits total \$81,800; ongoing operating expenditures would be \$12,500; and one-time capital outlay would be \$4,000. Programs of this initiative will be funded through funds appropriated to the STEM Education Fund.

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LEGISLATURE OF THE STATE OF IDAHO
Sixty-third Legislature Second Regular Session - 2016

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AN ACT

1 RELATING TO COURSES OF INSTRUCTION; AMENDING CHAPTER 16, TITLE 33, IDAHO
2 CODE, BY THE ADDITION OF A NEW SECTION 33-1633, IDAHO CODE, TO PROVIDE
3 THE COMPUTER SCIENCE INITIATIVE FOR PUBLIC SCHOOLS AND RELATED PROVI-
4 SIONS.
5

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

7 SECTION 1. That Chapter 16, Title 33, Idaho Code, be, and the same is
8 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
9 ignated as Section 33-1633, Idaho Code, and to read as follows:

10 33-1633. COMPUTER SCIENCE INITIATIVE FOR PUBLIC SCHOOLS. (1) As used
11 in this section:

12 (a) "Blended professional development" means to deliver content and
13 training to in a combination of online and face-to-face.

14 (b) "Computer coding" means the process of writing instructions or
15 script for a computer program or mobile device.

16 (c) "Computer science" means the study of principles, applications and
17 technologies of computing and computers.

18 (2) The STEM action center, the state board of education and the state
19 department of education shall collaborate to develop and implement a com-
20 puter science initiative for public schools by:

21 (a) Adopting computer science content standards in 2016 aligned to
22 nationally recognized computer science education standards with input
23 from Idaho educators and industries for implementation in the 2017-2018
24 school year;

25 (b) Providing for professional development on teaching computer sci-
26 ence by:

27 (i) Developing resources for teachers and administrators relat-
28 ing to teaching computational thinking;

29 (ii) Providing statewide, regional, online and blended profes-
30 sional development opportunities for school district staff;

31 (iii) Partnering with entities such as the Idaho digital learn-
32 ing academy and public higher education institutions to develop,
33 deliver and provide professional development in computer science
34 for teachers; and

35 (iv) Distributing grants to school districts and charter schools
36 that may be used to provide incentives for teachers to pursue
37 training in computer science or earn a computer science endorse-
38 ment;

39 (c) Maintaining, using and enhancing access to an online portal or
40 repository of instructional resources that:

41 (i) Is available for school districts and charter schools to use
42 as a resource;

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- 1 (ii) Includes high quality computer science instructional re-
2 sources that are designed to teach K-12 students computational
3 thinking skills and are in alignment with the state computer sci-
4 ence content standards;
5 (iii) Leverages existing online resources and portals developed
6 by state and governmental entities; and
7 (iv) Allows for collaborative contribution and sharing of re-
8 sources by teachers and administrators;
9 (d) Evaluating providers of comprehensive computer science instruc-
10 tional software solutions and providing research, support and guidance
11 on implementing software solutions for computer science courses or pro-
12 grams aligned to the state computer science content standards;
13 (e) Creating opportunities for schools to partner with local companies
14 to provide for student and teacher mentoring and internships in the com-
15 puter science field;
16 (f) Communicating and supporting computer science initiatives, pro-
17 grams, events, training and other promotions throughout the state for
18 benefit of school districts, students, parents and local communities;
19 and
20 (g) Creating equitable access to computer science resources and pro-
21 grams aligned to the state computer science content standards for
22 teachers, administrators and students throughout the state.
23 (3) The STEM action center, the state board of education and the state
24 department of education shall, when economical and beneficial, leverage ex-
25 isting state resources and systems to effectively and efficiently carry out
26 the directives of this computer science initiative for public schools.
27 (4) The STEM action center board may select one (1) or more providers
28 through a request for proposals process to provide a comprehensive computer
29 science software solution for school districts to implement.
30 (5) The STEM action center, the division of professional technical
31 education and industry shall collaborate to create technical postsecondary
32 courses of study in areas related to computer science that meet workforce
33 needs.
34 (6) The STEM action center shall collaborate with the state board of ed-
35 ucation, division of professional technical education, the state department
36 of education, public higher education institutions and industry to develop a
37 communication plan related to the computer science initiative.
38 (7) The STEM action center and the state board of education shall pro-
39 vide a report to the legislature on the status of this initiative annually.

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ADULT DEGREE COMPLETION SCHOLARSHIP

STATEMENT OF PURPOSE

To establish the Adult Degree Completion Scholarship to help Idaho residents return to school and complete their academic studies.

The scholarship is intended to support adult students returning to a public college or university after an absence of at least three (3) years or more and who are completing their first undergraduate degree. Applicants may qualify for up to \$3,000 per academic year for up to eight (8) consecutive semesters.

Applicants must meet the following criteria in order to be eligible for consideration:

- Must be a resident of the state of Idaho.
- Must enroll as a student at an Idaho public higher education institution seeking a first undergraduate degree.
- Must be an undergraduate reentry student who has experienced a gap (three (3) years or more) in the pursuit of postsecondary education.
- Must have a minimum of 30 credits earned from any institution toward a degree.
- Must demonstrate financial need as determined by a completed FAFSA.
- Must be registered at least part time: a minimum of six (6) credits per semester.

FISCAL IMPACT

Annual ongoing General Fund appropriation of \$5 million.

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LEGISLATURE OF THE STATE OF IDAHO
Sixty-third Legislature Second Regular Session - 2016

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AN ACT

1 RELATING TO; AMENDING CHAPTER 43, TITLE 33, IDAHO CODE, BY THE ADDITION OF A
2 NEW SECTION 33-4305, IDAHO CODE,
3

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

5 SECTION 1. That Chapter 43, Title 33, Idaho Code, be, and the same is
6 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
7 ignated as Section 33-4305, Idaho Code, and to read as follows:

8 33-4305. IDAHO DEGREE COMPLETION SCHOLARSHIP -- RULEMAKING. (1) The
9 purposes of this section are to:

- 10 (a) Increase the number of Idaho citizens who have a postsecondary de-
11 gree or credential necessary to meet future workforce needs;
12 (b) Recognize that one (1) of the many challenges adults face as they
13 return to college is financing their education;
14 (c) Provide access to eligible Idaho postsecondary education through
15 funding to remove financial barriers; and
16 (d) Incentivize students to complete a postsecondary education degree
17 or certificate.

18 (2) For the purposes of this section:

- 19 (a) "Adult degree completion scholarship" means the scholarship pro-
20 gram described in this section and in the rules promulgated by the state
21 board.
22 (b) "Educational costs" means the dollar amount determined annually
23 by the state board of education as necessary for student tuition, fees,
24 books and other expenses reasonably related to attendance at an eligi-
25 ble Idaho postsecondary educational institution.
26 (c) "Eligible institution" means an Idaho public postsecondary organi-
27 zation governed or supervised by the state board, a board of trustees of
28 a community college established pursuant to chapter 21, title 33, Idaho
29 Code, or the state board of professional-technical education.
30 (c) "Eligible student" means a student who:
31 (i) Is an Idaho resident as defined in section 33-3717B, Idaho
32 Code;
33 (ii) Is enrolled in or has applied to an eligible institution;
34 (iii) Is a postsecondary undergraduate student who has not previ-
35 ously completed an undergraduate degree; and
36 (iv) Is an undergraduate reentry student who has experienced a gap
37 of three (3) years or more in the pursuit of an undergraduate de-
38 gree.

39 (d) "State board" means the state board of education.

40 (3) The state board shall promulgate rules to determine student eligi-
41 bility, academic and financial eligibility, a process for eligible students
42 to apply, amount of awards, how eligible students will be selected and when

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1 the awards will be made, as well as other rules necessary for the administra-
2 tion of this section.

3 (4) The adult degree completion scholarship award shall not exceed the
4 actual educational costs as the eligible institution that the student at-
5 tends. The amount of scholarship shall not exceed the educational costs es-
6 tablished by the state board.

7 (5) Award payments shall be made annually to an eligible institution.
8 In no instance may the entire amount of an award be paid to or on behalf of any
9 student in advance.

10 (6) If an eligible student becomes ineligible for a scholarship under
11 the provisions of this chapter, or if a student discontinues attendance be-
12 fore the end of any semester, quarter, term or equivalent, covered by the
13 award after receiving payment under this chapter, then the eligible institu-
14 tion shall remit, up to the amount of any payments made under this program,
15 any prorated tuition or fee balances to the state board.

16 (7) There is hereby created an account in the state treasury to be des-
17 ignated the adult degree completion scholarship program account.

18 (a) The account shall consist of moneys appropriated to the account by
19 the legislature, moneys contributed to the account from other sources
20 and the earnings on such moneys. The executive director of the state
21 board may receive on behalf of the state board any moneys or real or per-
22 sonal property donated, bequeathed, devised or conditionally granted
23 to the state board of education for purposes of providing funding for
24 such account. Moneys received directly or derived from the sale of such
25 property shall be deposited by the state treasurer in the account.

26 (b) Earnings from moneys in the account or specified gifts shall be dis-
27 tributed annually to the state board to implement the adult degree com-
28 pletion scholarship program.

29 (c) All moneys deposited in the account and earnings on such moneys are
30 hereby perpetually appropriated to the state board for the purpose of
31 implementing the adult degree completion scholarship program. All ex-
32 penditures from the account shall be paid out in warrants drawn by the
33 state controller upon presentation of the proper vouchers.

34 (d) Pending use, surplus moneys in the account shall be invested by the
35 state treasurer in the same manner as provided in section 67-1210, Idaho
36 Code. Interest earned on the investments shall be returned to the ac-
37 count.

38 (8) The effectiveness of the adult degree completion scholarship pro-
39 gram will be evaluated by the state board on a regular basis. This evaluation
40 will include annual data collection as well as longer-term evaluations.

FIXED RATE TUITION

STATEMENT OF PURPOSE

The tuition lock plan offers stabilization and predictability of tuition costs according to a tuition schedule that will remain unchanged for four years for each cohort of undergraduate resident students. This plan ensures that the tuition rate first charged to a resident undergraduate student will remain constant for a period of four continuous academic years following initial enrollment, unless the student changes to a major that is charged a different tuition rate.

The law does not apply to room and board nor does it apply to mandatory fees, program fees, and/or course-specific fees. Further, the law does not apply to graduate or professional students.

Students who are guaranteed a fixed tuition rate for four continuous years include resident students who enroll first-time, full-time for the Fall 2016 term or later, or students who were previously enrolled at a public two-year and are transferring to a four-year ins as a degree-seeking student. At the end of the four years, the student's tuition rate will no longer be fixed. This tuition lock plan provides not only predictability but also incentivizes timely completion.

Students who do not qualify for fixed tuition include 1) graduate students, 2) professional students, 4) undergraduate students whose fixed rate time period has expired, 5) non-degree seeking students; 6) students enrolled in cost-recovery courses, and 7) high school students who are enrolled in college courses at an Idaho public higher education institution (until such time as they earn a high school diploma and enroll as undergraduates).

This legislation would require that the state appropriate funding to offset any increase in tuition at the four-year institutions over a students' locked tuition rate.

FISCAL IMPACT

The first year of implementation is \$0 as that would set a baseline tuition. There would be a staggered financial impact as the cohorts move through the first four years. Below is year 2-4 impact based on estimates from the four-year institutions:

Year 1	\$0
Year 2	\$1,558,300
Year 3	\$3,475,900
Year 4	\$8,133,800

By year four, the impact will have flowed through. The fully loaded cost is approximately \$8 million per year.

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1 (5) A fixed tuition and fees plan offered under this section shall provide that:
2

3 (a) During the forty-eight (48) months immediately following the date
4 of a student's first-time, full-time enrollment at an eligible institution,
5 the institution may not charge tuition and fees to the student for
6 a semester or other academic term at a rate that exceeds the rate the eligible
7 institution charged during the first academic year in which the
8 student enrolled full-time in the institution.

9 (b) A fixed tuition and fees rate charged to a student by an eligible
10 institution does not apply to the student after the student has been
11 awarded a baccalaureate degree by the institution.

12 (c) Each eligible institution shall notify each entering undergraduate
13 student, including each undergraduate student who transfers from an
14 Idaho community college, of the fixed tuition and fees plan offered under
15 this section.

16 (d) This section does not apply to the tuition and fees charged by an eligible
17 institution to a student who enters an eligible institution for
18 the first time before the 2016 fall semester.

19 (6) To maintain eligibility, a student must meet satisfactory academic
20 progress as established by the state board.

21 (7) The state shall appropriate moneys annually to offset any increase
22 in tuition at the eligible institutions over students' locked tuition rates.
23 In the event the appropriation does not fully offset an increase, moneys will
24 be transferred from the higher education stabilization fund.

25 SECTION 2. That Section 33-3726, Idaho Code, be, and the same is hereby
26 amended to read as follows:

27 33-3726. HIGHER EDUCATION STABILIZATION FUND. There is hereby created
28 in the state treasury a fund to be known as the higher education stabilization
29 fund. The higher education stabilization fund shall consist of ~~three~~
30 four (34) separate accounts as follows:

31 (1) An account designated the strategic interest account shall consist
32 of interest earnings from the investment of moneys deposited with the state
33 treasurer into unrestricted current fund 0650-00, as designated by the state
34 controller in the statewide accounting and reporting system. Annually on
35 July 1, or as soon thereafter as is practicable, the state controller shall
36 transfer such interest earnings to the strategic interest account. All moneys
37 so transferred shall be expended for the maintenance, use and support
38 of institutions that have deposited moneys into unrestricted current fund
39 0650-00. All such expenditures shall be subject to legislative appropriation.
40 Institutions shall receive a pro rata share of a legislative appropriation
41 based upon the amount of moneys any such institution has deposited
42 into unrestricted current fund 0650-00 in the current fiscal year compared
43 to the total amount deposited by all institutions in the current fiscal year.
44 Interest earned from the investment of moneys in the strategic interest account
45 shall be retained in the strategic interest account.

46 (2) An account designated the surplus stabilization account shall
47 consist of any other moneys made available through legislative transfers,
48 appropriations or otherwise provided by law, or from any other government-

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1 tal source. All such moneys shall be expended for the maintenance, use and
2 support of institutions named in section 33-3803, Idaho Code. Such expendi-
3 tures shall be made subject to legislative appropriation to the state board
4 of education for college and universities. Distribution of such moneys to
5 institutions shall be based upon the state board of education's established
6 practices for the allocation of moneys to such institutions. Interest
7 earned from the investment of moneys in this surplus stabilization account
8 shall be retained in this surplus stabilization account.

9 (3) An account designated the surplus stabilization account for East-
10 ern Idaho Technical College, North Idaho College, College of Southern Idaho
11 and College of Western Idaho shall consist of any other moneys made available
12 through legislative transfers, appropriations or otherwise provided by law,
13 or from any other governmental source. All such moneys shall be expended for
14 the maintenance, use and support of Eastern Idaho Technical College, North
15 Idaho College, College of Southern Idaho and College of Western Idaho. Such
16 expenditures shall be made subject to legislative appropriation to Eastern
17 Idaho Technical College, through the appropriation to the division of profes-
18 sional-technical education, and to the community colleges. Distribution
19 of such moneys shall be based upon established practices for the allocation
20 of moneys to Eastern Idaho Technical College through the division of profes-
21 sional-technical education, or the state board of education's established
22 practices for the allocation of moneys to the community colleges. Interest
23 earned from the investment of moneys in this surplus stabilization account
24 shall be retained in this surplus stabilization account.

25 (4) An account designated the tuition lock stabilization account for
26 University of Idaho, Boise State University, Idaho State University and
27 Lewis-Clark State College shall consist of any other moneys made available
28 through legislative transfers, appropriations or otherwise provided by law,
29 or from any other governmental source. All such moneys shall be expended for
30 the use and support of the tuition lock program at the state's four (4) year
31 public institutions of higher education as established in section 33-3717D,
32 Idaho Code. Such expenditures shall be made subject to legislative appro-
33 riation to the state board of education for colleges and universities. In-
34 terest earned from the investment of moneys in this tuition lock stabiliza-
35 tion account shall be retained in this tuition lock stabilization account.

36 SECTION 3. The provisions of Sections 1 of this act shall be null, void
37 and of no force and effect on and after July 1, 2021.

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COMMUNITY COLLEGE START-UP FUND

STATEMENT OF PURPOSE

The legislation adds the Community College Start-up Account to the Higher Education Stabilization Fund. This fund would be used for start-up of a community college in eastern Idaho should voters in that region create a community college taxing district.

FISCAL NOTE

The fund would be established through a one-time transfer of \$5 million from the General Fund. Spending authority from the fund would be subject to legislative appropriation.

Contact:

Marilyn Whitney
Office of the Governor
334-2100

Statement of Purpose/Fiscal Note

Bill No.

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LEGISLATURE OF THE STATE OF IDAHO
Sixty-third Legislature Second Regular Session - 2016

This bill draft contains confidential and privileged information exempt from disclosure under Section 74-109(1), Idaho Code. If you have received this message by mistake, please notify us immediately by replying to this message or telephoning the Legislative Services Office at (208) 334-2475.

AN ACT

1 RELATING TO THE HIGHER EDUCATION STABILIZATION FUND; AMENDING SECTION
2 33-3726, IDAHO CODE, TO PROVIDE FOR THE COMMUNITY COLLEGE START-UP AC-
3 COUNT AND RELATED PROVISIONS.
4

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

6 SECTION 1. That Section 33-3726, Idaho Code, be, and the same is hereby
7 amended to read as follows:

8 33-3726. HIGHER EDUCATION STABILIZATION FUND. There is hereby created
9 in the state treasury a fund to be known as the higher education stabiliza-
10 tion fund. The higher education stabilization fund shall consist of ~~three~~
11 four (34) separate accounts as follows:

12 (1) An account designated the strategic interest account shall consist
13 of interest earnings from the investment of moneys deposited with the state
14 treasurer into unrestricted current fund 0650-00, as designated by the state
15 controller in the statewide accounting and reporting system. Annually on
16 July 1, or as soon thereafter as is practicable, the state controller shall
17 transfer such interest earnings to the strategic interest account. All mon-
18 eys so transferred shall be expended for the maintenance, use and support
19 of institutions that have deposited moneys into unrestricted current fund
20 0650-00. All such expenditures shall be subject to legislative appropri-
21 ation. Institutions shall receive a pro rata share of a legislative appro-
22 priation based upon the amount of moneys any such institution has deposited
23 into unrestricted current fund 0650-00 in the current fiscal year compared
24 to the total amount deposited by all institutions in the current fiscal year.
25 Interest earned from the investment of moneys in the strategic interest ac-
26 count shall be retained in the strategic interest account.

27 (2) An account designated the surplus stabilization account shall
28 consist of any other moneys made available through legislative transfers,
29 appropriations or otherwise provided by law, or from any other governmen-
30 tal source. All such moneys shall be expended for the maintenance, use and
31 support of institutions named in section 33-3803, Idaho Code. Such expendi-
32 tures shall be made subject to legislative appropriation to the state board
33 of education for college and universities. Distribution of such moneys to
34 institutions shall be based upon the state board of education's established
35 practices for the allocation of moneys to such institutions. Interest
36 earned from the investment of moneys in this surplus stabilization account
37 shall be retained in this surplus stabilization account.

38 (3) An account designated the surplus stabilization account for East-
39 ern Idaho Technical College, North Idaho College, College of Southern Idaho
40 and College of Western Idaho shall consist of any other moneys made available
41 through legislative transfers, appropriations or otherwise provided by law,
42 or from any other governmental source. All such moneys shall be expended for

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1 the maintenance, use and support of Eastern Idaho Technical College, North
2 Idaho College, College of Southern Idaho and College of Western Idaho. Such
3 expenditures shall be made subject to legislative appropriation to Eastern
4 Idaho Technical College, through the appropriation to the division of profes-
5 sional-technical education, and to the community colleges. Distribution
6 of such moneys shall be based upon established practices for the allocation
7 of moneys to Eastern Idaho Technical College through the division of profes-
8 sional-technical education, or the state board of education's established
9 practices for the allocation of moneys to the community colleges. Interest
10 earned from the investment of moneys in this surplus stabilization account
11 shall be retained in this surplus stabilization account.

12 (4) An account designated the community college start-up account shall
13 consist of any other moneys made available through legislative transfers,
14 appropriations or otherwise provided by law, or from any other governmental
15 source. All such moneys shall be expended for the use and support of estab-
16 lishing a community college in eastern Idaho. Distribution of such moneys
17 shall be based upon voter approval of a community college district and ap-
18 pointment of a local board of trustees by the state board of education. All
19 such moneys shall be expended for the use and support of a community col-
20 lege in eastern Idaho. Such expenditures shall be made subject to legisla-
21 tive appropriation to the state board of education. Interest earned from the
22 investment of moneys in this community college startup account shall be re-
23 tained in this community college startup account.

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1 (c) Monitor the reading progress of each student's reading skills
2 throughout the school year and adjust instruction according to student
3 needs.

4 (2) Reading Improvement Plan. Any student in kindergarten through
5 grade 3 who exhibits a deficiency in reading at any time based upon local or
6 statewide assessments shall receive an individual reading improvement plan
7 no later than thirty (30) days after the identification of the reading defi-
8 ciency. The reading improvement plan shall be created by the teacher, prin-
9 cipal, other pertinent school personnel and the parent(s) or guardian(s),
10 and shall describe the reading intervention services the student will re-
11 ceive to remedy the reading deficit. Each student must receive intensive
12 reading intervention until the student is determined to be proficient in
13 reading for their grade level.

14 (3) Parent Notification. The parent of any student in kindergarten
15 through grade three 3 who exhibits a deficiency in reading at any time during
16 the school year must be notified in writing no later than fifteen (15) school
17 days after the identification of the reading deficiency. The school dis-
18 trict shall assist schools with providing written notification to the parent
19 of any student who has not met grade level proficiency. The notification
20 must include the following:

21 (a) A statement that his or her student has been identified as having
22 a deficiency in reading and a reading improvement plan will be estab-
23 lished by the teacher, principal, other applicable school personnel and
24 the parent(s) or guardian(s);

25 (b) A description of the current services that are provided to the stu-
26 dent;

27 (c) A description of the proposed reading intervention and supplemen-
28 tal instructional services and supports that will be provided to the
29 student that are designed to address the identified areas of reading
30 deficiency;

31 (d) Strategies for parents to use at home in helping their student to
32 succeed in reading; and

33 (e) A recommendation regarding promotion to the next grade level.

34 (4) District Annual Reporting. Each school district shall report in
35 writing to the state department of education by October 1 of each year. The
36 report shall contain the following information on the prior school year:

37 (a) The school district policies and procedures on student retention
38 and promotion;

39 (b) By grade, the number and percentage of all students in grades K-3
40 performing at the basic or below basic level on local and statewide as-
41 sessments in reading;

42 (c) By grade, the number and percentage of all students in grades K-3
43 performing at the proficient or higher level on local and statewide as-
44 sements in reading; and

45 (d) By grade, the number and percentage of all students retained in
46 grades K-3.

47 (5) Department Responsibilities. The state department of education
48 shall establish a uniform format for school districts to report the in-
49 formation required in subsection (4) of this section. The format shall be
50 developed with input from school districts and shall be provided to each

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1 school district no later than ninety (90) days before the annual due date.
2 The department shall annually compile the information required along with
3 state-level summary information, and report such information to the state
4 board of education, the public, governor and the legislature by February 1 of
5 each year. The department shall provide technical assistance as needed to
6 aid school districts in implementing the provisions of this section.

7 (6) The state board of education may promulgate rules for the adminis-
8 tration and implementation of this section.

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FY 2017 Budget Highlights

The Executive Budget for FY 2017 reflects Governor Otter's budgeting principles.

- Education is the top priority.
- Growth in government should be limited.
- The focus will remain on strategic investments and providing core services.

The Governor has crafted a responsible, structurally balanced budget that includes

- a 7.9% increase in spending for K-12 education; and
- an 8.8% increase for Idaho's 4 year institutions and 9.6% increase for our community colleges, including \$25,377,200 for post-secondary education to expand research initiatives, workforce development, and education opportunities.

K-through-Career

The Executive Budget for FY 2017 reflects Governor Otter's priority of providing significant funding to implement recommendations from the Governor's Task Force for Improving Education.

- **Career Ladder - \$39,896,200.** Funding for the second year of the five-year funding plan for the career ladder for certificated instructional employees and pupil service staff is provided. Of the total, \$1,780,400 is attributable to the incremental increase of adding pupil service staff to the career ladder.
- **College and Career Advising - \$5,000,000.** The Governor recommends funding for college and career counseling for students, which is key to reaching Idaho's 60% goal. Consistent with the task force's recommendation, funds should be appropriated specifically for districts to implement an advising model that best fits their needs.
- **Professional Development - \$5,000,000.** Ongoing funding is provided for teacher professional development, specifically for mentoring.
- **Discretionary Funding - \$29,994,300.** The Governor recommends funding to fully restore discretionary funding. This additional funding increases the distribution factor from \$23,868 to \$25,696 and completes the restoration of discretionary funding to the FY 2009 distribution factor.
- **Classroom Technology - \$10,000,000.** The budget provides \$10,000,000 as part of the five-year funding plan for fulfilling the recommendation that the state invest \$60,000,000 in classroom technology. This brings the ongoing total to \$23,000,000 for technology.
- **ADA Stability and Mobility - \$2,511,400.** Ongoing General Fund for schools that experience enrollment growth throughout the school year is provided. This supports legislation to implement the public school funding subcommittee's recommendation.
- **Mastery-based System Development - \$1,100,000.** This funding will support the continued development of mastery-based education in Idaho, as reflected in statute.

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- **Literacy Proficiency - \$10,700,000.** Ongoing General Fund for literacy proficiency is recommended. Funding will support increased intervention, including the option of full-day kindergarten for students who score below basic on the Idaho Reading Indicator (IRI), 20-hour interventions for students in grades one through three who score basic on the IRI, and interventions for students who score basic or below basic on the IRI alternative.
- **Statewide Wi-fi Services - \$2,204,200.** The Governor recommends funding to continue support for expansion of wireless infrastructure to public schools. The program provides wireless networking technology in all instructional and administrative areas in public schools.

In addition to the recommendations of the Governor's Task Force for Improving Education, Governor Otter includes other strategic investments in public school funding.

- **STEM Action Center Grants, Projects, and Program Administration - \$2,000,000.** The Governor recommends ongoing General Fund to promote Science, Technology, Engineering, and Math (STEM) activities throughout Idaho by engaging educators and industry. Funding will support professional development for educators, pilot programs promoting STEM education, classroom grants, needs and gap analyses, outreach, and research.
- **STEM Action Center Industry Contributions and Projects - \$2,000,000.** This dedicated fund spending authority will allow for the expenditure of funding received via industry, private donations, and grants. Industry has indicated an interest in a matching funds campaign to support the statewide Science, Technology, Engineering, and Math (STEM) fair, robotics competitions, and computer science professional development for educators.
- **STEM Computer Science and Coding Initiative - \$99,000 and 1.0 FTP.** The goal of this initiative is to implement computer science and coding instruction in schools across the state to better prepare secondary students for post-secondary success and eventual employment in this high-demand field.
- **STEM Education Fund - \$10,000,000.** This transfer to the STEM Education Fund will support the programs and priorities of the state in advancing Science, Technology, Engineering, and Math (STEM) education in public schools and Idaho post-secondary education institutions.
- **School Security Assessments - \$270,000 and 5.0 FTP.** The Governor recommends the creation of the Office of School Safety and Security within the Division of Building Safety. These funds will be combined with \$300,000 from the Public School Income Fund to examine all aspects of school security from a proactive point of view including ongoing site assessments at schools statewide.
- **Idaho School for the Deaf and Blind Cottage Occupancy - \$189,500.** Funding is provided for repairs and ongoing costs to allow the Idaho School for the Deaf and Blind to open a cottage that will house 10 new residential students.
- **Military Division Youth ChalleNGe Program Acclimation Phase Support - \$97,300.** Funding is recommended for National Guard members to provide additional supervision and support during the first two weeks of every new Youth ChalleNGe Program class.

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In the higher education budget, the Governor continues his K-through-Career focus and emphasizes meeting the goal of at least 60% of Idaho citizens between the ages of 25 and 34 having a post-secondary degree or professional certification by 2020.

- **Opportunity Scholarship - \$5,000,000.** The Governor recommends increasing Opportunity Scholarship funding to allow for the award of 1,825 new scholarships at \$3,000 each and 1,572 renewals at \$3,000 each.
- **Adult Degree Completion Scholarship - \$5,000,000.** This initiative creates a completion scholarship to incentivize Idahoans with some college, but no degree or certificate, to finish a post-secondary program. Funding will help Idaho residents return to school and complete their academic studies. The scholarship is intended to support students returning to college after an absence of at least three years to complete their first undergraduate degree. Applicants who meet eligibility criteria may qualify for up to \$3,000 per academic year for up to eight consecutive semesters.
- **Tuition Lock - \$10,000,000.** The Governor's tuition lock initiative will cap tuition for qualified students over a four-year period and will provide students with a level of certainty and predictability when paying for their college education. It also addresses affordability, which is one of the most significant barriers to the "go on" rate and retention. The budget includes a one-time General Fund transfer to the Higher Education Stabilization Fund to provide a reserve should enrollment outpace the projection-based appropriation as the tuition lock initiative is implemented.
- The **Complete College Idaho initiative** addresses specific higher education needs in the state including the following:
 - **\$1,413,900 for Boise State University** to support four positions for the learning assistants program, five full-time positions as part of the university's effort to reduce its reliance on adjunct faculty members, and nine advisor positions to increase student retention and graduation.
 - **\$305,600 for Idaho State University** to provide work and service opportunities for students to gain practical experience and learn more about the relevance of their academics to the workplace.
 - **\$790,900 for the University of Idaho** to support one clinical psychologist, one director of retention, five intervention specialists, one part-time tutoring and college success manager/academic support coordinator, one tutoring coordinator, one supplemental instruction coordinator, and hourly supplemental instruction by student tutors. The combination of these positions will help the university meet the needs of students enrolled via the direct admission, "go on", and Complete College Idaho initiatives. Augmenting and expanding these student success support activities will help address critical strategic goals including "go on" rates, retention, graduation, and employment.
 - **\$425,500 for Lewis-Clark State College** to support one veterans advisor, one kinesiology assistant professor, faculty retention dollars, and one business assistant professor. The positions will directly support academic and student affairs, the strategic initiatives of Lewis-Clark State College, and attainment of the State Board of Education's Complete College Idaho initiative.
 - **\$158,900 for North Idaho College** for a coordinator for retention and completion position and a transition coordinator position.

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- **\$242,500 for the College of Southern Idaho** to develop a comprehensive approach to post-secondary dual-credit educational services for high school students.
- **\$367,900 for the College of Western Idaho** for four advisors, one data analyst, and one engineering faculty position.

- **Enrollment Work Load Adjustment Restoration - \$3,874,500.** For four-year institutions and community colleges experiencing a decrease in the formula-generated enrollment-workload adjustment, the Governor recommends restoring the funds to avoid a reduction in the base appropriation in FY 2017.

- **HERC Undergraduate Research - \$300,000.** Ongoing General Fund is recommended to support undergraduate research, fellowships, research material purchases, travel, and curricula development for project-based classes.

- **Boise State University Materials Science and Engineering Research Initiative - \$617,100.** This initiative funds three new faculty lines and five graduate assistants to enhance the materials science and engineering PhD program. The Micron Foundation provided \$13,000,000 for three years of start-up funding to create this program.

- **Idaho National Laboratory/Boise State University CyberSecurity Lab - \$1,000,000.** The Governor recommends the development of a process control cybersecurity lab at Boise State University, in collaboration with the Idaho National Laboratory (INL). This program will leverage the unique cybersecurity capabilities of INL to help expand Idaho's computer science talent pipeline and foster new research and development to identify methods to protect the state's resources and infrastructure.

- **Idaho State University Health Sciences Expansion - Meridian Campus - \$1,740,600.** This funding will expand the Doctor of Physical Therapy (DPT) Program at the Meridian Health Science Center. This program typically receives 250 applications for the 24 to 26 seats currently available each year on the Pocatello campus. The expansion of the Meridian Health Science Center will allow the university to admit between 48 and 50 students per year into the program. It is estimated that with the increased capacity, the number of graduates will double within three to four years.

- **University of Idaho Occupancy Costs - \$1,412,800.** The budget includes funding for occupancy costs to cover the Aquaculture Research Institute Lab, the Integrated Research and Innovation Center, the education building, the University House, the Center on Disabilities and Human Development - Alturas Park, and the Parma onion storage facility within the Agricultural Research and Extension budget.

- **University of Idaho Law and Justice Learning Center Rent - \$244,200.** Funding for rental costs at the remodeled Idaho Law and Justice Learning Center (formerly the Capitol Annex) is provided.

- **Lewis-Clark State College Safety, Security, and Compliance - \$193,700.** This funding will support one Title IX compliance coordinator, one security officer, surveillance cameras and licenses, a campus notification system, and an electronic access expansion.

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- **College of Southern Idaho Student Instructional Support - \$113,200.** The Governor recommends ongoing General Fund to expand resources for post-gateway high-risk classes, such as biology, chemistry, high-level math, and nursing, based upon the success ratio of the courses. This would involve hiring skilled students, part-time staff, and adjunct faculty to assist in these areas. It is expected that there will be immediate results in retention and course completion rates because of this added support.
- **College of Southern Idaho Institutional Researcher - \$91,500.** This position will provide consistent support to the college's existing staff and will improve the process of generating needed reports for evaluation and decision making.
- **North Idaho College Occupancy Costs - \$615,100.** Funding is provided for occupancy costs for the career and technical education facility and the automotive technology center.
- **North Idaho College Enhanced Campus Security - \$116,100.** Two security officer positions will increase the visual presence of campus security and enhance the ability to respond to multiple calls.
- **College of Western Idaho Funding Equity - \$500,000.** The Governor recommends addressing the continued funding inequity between the College of Western Idaho, North Idaho College, and the College of Southern Idaho.
- **Start-up Funding for Eastern Idaho Community College - \$5,000,000.** A one-time General Fund transfer to the Higher Education Stabilization Fund is provided for start-up funding, should voters approve the establishment of a community college district in eastern Idaho.
- **Five Additional WWAMI Seats - \$278,900.** The Governor recommends adding five additional seats to the Washington, Wyoming, Alaska, Montana, and Idaho (WWAMI) medical education program. The added seats will bring the incoming Fall 2016 class to a total of 40, fulfilling the recommendation of the State Board of Education's medical education subcommittee.
- **Two Additional UUSOM Seats - \$84,600.** This funding will provide two additional University of Utah School of Medicine (UUSOM) seats for medical students. This recommendation will increase the incoming Fall 2016 class of students from eight to 10 so that by FY 2020 there will be a total of 40 Idaho students enrolled in UUSOM medical school.
- **Family Medical Residency - \$180,000.** The budget provides funding for the third and final year of build-out costs for six residents of the Kootenai Health Family Medicine Residency (KFMR) program. By FY 2017, the final six residents will be added to reach the full complement of 18 residents, with each to complete the full three-year residency training program.
- **Professional-Technical Education Post-secondary Capacity Expansion - \$3,791,200 and 38.0 FTP.** This initiative will build training capacity at six post-secondary institutions throughout the state to produce more graduates for high-demand jobs in health care, information technology, mechatronics, and transportation. On average, there are 2,180 annual job openings across these four major industry areas. However, capacity in the programs that train in these areas is limited, with annual program graduates at 542, and an average wait list of 825 across the four areas. The additional funding will provide annual capacity expansion of 410 seats for jobs that have a median hourly wage of \$19.10 per hour.

- **Agriculture and Natural Resource Program Funding - \$325,000.** This will provide continued funding for incentive and start-up grants to enhance the quality and quantity of agricultural and natural resources education programs in high schools across the state.

Change in Employee Compensation (CEC)

The Governor recommends a 3% CEC to be based on merit with flexibility for directors to address agency needs. He also recommends fully funding a larger-than-anticipated increase in health benefit costs, with no increased costs to employees. A FY 2016 transfer to the Group Insurance Account of \$13,140,000 to maintain the contractually required reserves is also recommended.

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