

**PLANNING, POLICY AND GOVERNMENTAL AFFAIRS**  
**JANUARY 18, 2018**

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**SUBJECT**

Legislative Update

**REFERENCE**

January 4, 2018

The Governor, C.L. "Butch" Otter, met with the State Board of Education to discuss his vision for implementation of the Higher Education Task Force recommendations.

August 2017

Board approved legislation establishing advising criteria for state funded dual credit course and credit bearing exams.

**BACKGROUND/DISCUSSION**

As follow-up to the January 4, 2018 Special Board Meeting the Board is being asked to consider support of the Governor's Fiscal Year 2019 state budget recommendation pertaining to a new executive staff position and proposed legislation to further implementation of the Higher Education Task Force recommendations. In addition to the budget recommendation the governor is proposing amendments to Idaho Code pertaining to the Board's executive staff, the Opportunity Scholarship, and the state funded Advanced Opportunities Program. The Board has been asked to consider support of each of the items.

The Governor's budget recommendation includes 1.0 full-time positions (FTP) and \$269,500 from the General Fund for the position. Of the recommended \$269,500, \$254,500 is ongoing funds for personnel costs, \$13,000 is ongoing funds for operating expenses and \$2,000 is in onetime funds for capital outlay. In addition to the budget recommendation, the Governor is proposing amendments to Section 33-102A, Idaho Code (Attachment 1) to expand the Board's hiring authority from an "executive officer" to "executive staff." The additional FTP would be responsible for implementing the recommendations of the Higher Education Task Force, including the creation of an integrated higher education system for the purpose of eliminating inefficiencies and generating cost savings.

In addition to the budget recommendation and additional FTP, to further the implementation of the task for recommendations the Governor is proposing amendments to the Opportunity Scholarship (Attachment 2) to allow for 20% of the funds available for the Opportunity Scholarship to be awarded to adult students who have earned a minimum of 24 credits. The intent of the amendments is to provide financial incentive and remove barriers for adults who have some college but no degree to complete and earn a certificate or degree.

The third proposed legislative amendments would amend the state funded Advanced Opportunities Program by establish eligible courses and credit bearing exam requirements. The intent of the provisions are to ensure students and parents are informed about how dual credit courses or credits earned through exams will impact the students postsecondary goals.

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**IMPACT**

Board support will allow Board staff to inform state policy makers on the Board's formal action and authorize Board staff to work with the Governor's Office to advocate for the Board's position.

**ATTACHMENTS**

Attachment 1 – Executive Staff - Draft	Page 5
Attachment 2 – Opportunity Scholarship	Page 7
Attachment 3 – Advanced Opportunities	Page 11

**STAFF COMMENTS AND RECOMMENDATIONS**

The proposed Executive Staff legislation, Attachment 1, will amend Section 33-102A, Idaho Code, Office of the State Board of Education – Executive Officer, to authorize the State Board of Education to hire “executive staff” rather than a single “executive officer.” The proposed amendment is companion legislation to the Governor's budget recommendation targeting the implementation of the Higher Education Task Force Recommendation 1, “Efficiencies, Cost Savings and Service” and moving toward a more integrated, centralized and student-centric higher education system.

The proposed Opportunity Scholarship legislation, Attachment 2, will amend Section 33-4303, Idaho Code, Idaho Opportunity Scholarship, to authorize up to 20% of the funds available for the scholarship program to be used for students who have earned 24 or more credits toward a postsecondary certificate or degree. Student eligibility requirements, application processes and student selection process will be established through administrative rule should the legislation be enacted. Staff recommends support.

The proposed Advanced Opportunities legislation, Attachment 3, will amend Section 33-4602, Idaho Code, Advanced Opportunities – Rulemaking, to establish eligible course and credit bearing exam requirements, a timeline for students to apply for the advanced opportunities scholarship, and makes technical corrections. Specific amendments include:

- expanding the eligible credit bearing exams to include assessments that lead to a badge recognized by the Division of Career Technical Education.
- specifying that dual credit courses must be a core foundation course, credit-bearing 100 level or higher, or be part of a postsecondary pathway toward earning a badge, certificate or degree
- elective courses may be taken for the purpose of career exploration and may not exceed fifteen (15) elective credits.

At the Board's August regular Board meeting the Board approved legislation amending Section 33-4602, Idaho Code, Advanced Opportunities – Rulemaking. The proposed amendments approved by the Board at this time required students to receive advising on how the course would align to the students learning plan, postsecondary goals, progress toward earning a certificate or degree, and impact

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on postsecondary financial aid. This proposed legislation approved by the Board did not make it through the Executive Agency Legislation process. Staff recommends support of the new legislation.

**BOARD ACTION**

I move to support the Governor's budget recommendation for an executive staff position, and the proposed companion legislation in substantial conformance to the legislation provided in Attachment 1.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

I move to support the proposed Advanced Opportunities legislation in substantial conformance to the legislation provided in Attachment 2.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

I move to support the proposed Opportunities Scholarship legislation in substantial conformance to the legislation provided in Attachment 3.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

**OR**

I move to support the Governor's budget recommendation for an executive staff position, and the proposed legislation in substantial conformance to the form provided in Attachments 1 through 3.

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_ Carried Yes \_\_\_\_\_ No \_\_\_\_\_

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**STATEMENT OF PURPOSE**

The legislation will authorize the State Board of Education to restructure the staff of the State Board of Education to support implementation of the Higher Education Task Force recommendations. Additional FTP will still require approval by the Idaho Legislature through the annual budget process.

**FISCAL NOTE**

The Governor's Fiscal Year 2019 budget recommendation includes \$269,500 for 1.0 FTP to allow the State Board of Education to hire an executive staff member to lead the implementation of the recommendations of the Higher Education Task Force including the effort to implement a shared services operation to consolidate administrative functions across higher education such as information technology, finance, human resources and procurement.

**Contact:**

Marilyn Whitney  
Office of the Governor  
208-854-3060

**Statement of Purpose/Fiscal Note**

**Bill No.**

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TITLE 33  
EDUCATION

CHAPTER 1  
STATE BOARD OF EDUCATION

33-102A. OFFICE OF THE STATE BOARD - EXECUTIVE ~~OFFICER~~-STAFF - APPOINTMENT - COMPENSATION - DUTIES AND POWERS. There is hereby created as an executive agency of the state board of education the office of the state board of education. The state board of education is hereby authorized to appoint an executive ~~officer~~-staff of the state board who shall serve at the pleasure of the state board and shall receive such salary as fixed by the state board. ~~The executive secretary may be appointed as the executive officer.~~ The executive ~~officer~~-staff shall, under the direction of the state board, have such duties and powers as prescribed by the said board of regents and the state board of education, not otherwise assigned by law.

**STATEMENT OF PURPOSE**

**RS25719**

To add a provision to the Idaho Opportunity Scholarship to allow up to twenty percent (20%) of funds appropriated for the program to be awarded to adult students who have earned at least 24 credits and who are completing their first undergraduate degree or certificate at an eligible Idaho postsecondary educational institution. Providing a financial incentive for adults who have some college but no degree to finish a postsecondary program was a unanimous recommendation of the Governor's 2017 Higher Education Task Force.

**FISCAL NOTE**

The Governor has recommended an additional \$5 million for the Opportunity Scholarship. This legislation would allow the State Board of Education to award up to twenty percent (20%) of funds appropriated for the Opportunity Scholarship to adults returning to complete a degree or certificate.

**Contact:**

Marilyn Whitney  
Office of the Governor  
208-334-2100

**Statement of Purpose/Fiscal Note**

**Bill No.**

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JANUARY 18, 2018

RS25719



LEGISLATURE OF THE STATE OF IDAHO



Sixty-fourth Legislature

Second Regular Session - 2018

IN THE \_\_\_\_\_

BILL NO. \_\_\_\_\_

BY \_\_\_\_\_

AN ACT

RELATING TO THE IDAHO OPPORTUNITY SCHOLARSHIP; AMENDING SECTION 33-4303, IDAHO CODE, TO PROVIDE THAT CERTAIN FUNDS MAY BE USED FOR SCHOLARSHIP AWARDS TO ADULT STUDENTS MEETING CERTAIN CRITERIA AND TO MAKE TECHNICAL CORRECTIONS.

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

SECTION 1. That Section 33-4303, Idaho Code, be, and the same is hereby amended to read as follows:

33-4303. IDAHO OPPORTUNITY SCHOLARSHIP. (1) The purposes of this section are to:

- (a) Recognize that all Idaho citizens benefit from an educated citizenry;
- (b) Increase individual economic vitality and improve the overall quality of life for many of Idaho's citizens;
- (c) Provide access to eligible Idaho postsecondary education through funding to remove financial barriers;
- (d) Increase the opportunity for economically disadvantaged Idaho students; and
- (e) Incentivize students to complete a postsecondary education degree or certificate.

(2) For the purposes of this section, the following definitions shall apply:

(a) "Educational costs" means the dollar amount determined annually by the state board of education as necessary for student tuition, fees, books and such other expenses reasonably related to attendance at an eligible Idaho postsecondary educational institution.

(b) "Eligible Idaho postsecondary educational institution" means a public postsecondary organization governed or supervised by the state board, the board of regents of the university of Idaho, a board of trustees of a community college established pursuant to the provisions of chapter 21, title 33, Idaho Code, or the state board for career technical education or any educational organization located in Idaho that is:

- (i) Operated privately;
- (ii) Classified as not-for-profit under state law;
- (iii) Under the control of an independent board and not directly controlled or administered by a public or political subdivision; and
- (iv) Accredited by an organization recognized by the state board as provided in section 33-2402, Idaho Code.

(c) "Eligible student" means a student who:





- 1 (i) Is an Idaho resident as defined in section 33-3717B, Idaho
- 2 Code;
- 3 (ii) Has graduated or will graduate from an accredited high school
- 4 or its equivalent in Idaho as determined by the state board;
- 5 (iii) Has enrolled or applied to an eligible Idaho postsecondary
- 6 educational institution;
- 7 (iv) Is a postsecondary undergraduate student who has not pre-
- 8 viously completed a baccalaureate (bachelor's) degree or higher;
- 9 and
- 10 (v) Meets need and merit criteria as set by the state board.

11 "Eligible student" also means a student who has met the eligibility  
 12 requirements and was awarded an opportunity scholarship prior to June  
 13 30, 2014. Continued eligibility shall be based upon the eligibility  
 14 requirements at the time of the original award.

15 (d) "Opportunity scholarship program" means the scholarship program  
 16 described in this section and in the rules established by the state  
 17 board.

18 (e) "Shared model of responsibility" means a model set by the board to  
 19 determine the required and expected contributions of the student, the  
 20 student's family and available federal financial aid.

21 (f) "State board" means the state board of education.

22 (3) The state board shall promulgate rules to determine student eligi-  
 23 bility, academic and financial eligibility, a process for eligible students  
 24 to apply, amount of awards, how eligible students will be selected and when  
 25 the awards shall be made, as well as other rules necessary for the adminis-  
 26 tration of this section.

27 (4) An eligible student must:

28 (a) Apply or have applied for federal student financial assistance  
 29 available to an eligible student who will attend or is enrolled in an  
 30 eligible Idaho postsecondary educational institution; and

31 (b) Meet need and merit criteria established by the state board in rule.

32 (5) Funds that are available for the opportunity scholarship program  
 33 shall be used to provide scholarships based upon a shared model of respon-  
 34 sibility between the scholarship recipient and the recipient's family,  
 35 the federal government and the participating eligible Idaho postsecondary  
 36 educational institution that the recipient attends for covering the educa-  
 37 tional costs.

38 (6) Up to twenty percent (20%) of funds that are available for the op-  
 39 portunity scholarship program may be used for awards to adult students who  
 40 have earned at least twenty-four (24) credits toward a postsecondary degree  
 41 or certificate and who return to an eligible Idaho postsecondary educational  
 42 institution to complete a certificate or degree.

43 (7) The opportunity scholarship award shall not exceed the actual edu-  
 44 cational costs at the eligible Idaho postsecondary educational institution  
 45 that the student attends. The amount of scholarship shall not exceed the ed-  
 46 ucational costs established by the state board.

47 (78) Award payments shall be made annually to an eligible Idaho post-  
 48 secondary educational institution. In no instance may the entire amount of  
 49 an award be paid to or on behalf of such student in advance.

1           (89) If an eligible student becomes ineligible for a scholarship un-  
2 der the provisions of this chapter, or if a student discontinues attendance  
3 before the end of any semester, quarter, term or equivalent, covered by the  
4 award after receiving payment under this chapter, the eligible Idaho post-  
5 secondary educational institution shall remit, up to the amount of any pay-  
6 ments made under this program, any prorated tuition or fee balances to the  
7 state board.

8           (910) There is hereby created an account in the state treasury to be des-  
9 ignated the opportunity scholarship program account.

10          (a) The account shall consist of moneys appropriated to the account by  
11 the legislature, moneys contributed to the account from other sources  
12 and the earnings on such moneys. The executive director of the state  
13 board may receive on behalf of the state board any moneys or real or per-  
14 sonal property donated, bequeathed, devised or conditionally granted  
15 to the state board for purposes of providing funding for such account.  
16 Moneys received directly or derived from the sale of such property shall  
17 be deposited by the state treasurer in the account.

18          (b) Earnings from moneys in the account or specified gifts shall be  
19 distributed annually to the state board to implement the opportunity  
20 scholarship program as provided for under the provisions of this chap-  
21 ter.

22          (c) All moneys placed in the account and earnings thereon are hereby  
23 perpetually appropriated to the state board for the purpose described  
24 in ~~subsection (9) paragraph~~ (b) of this subsection. All expenditures  
25 from the account shall be paid out in warrants drawn by the state con-  
26 troller upon presentation of the proper vouchers. Up to fifty thousand  
27 dollars (\$50,000) of the annual earnings distribution to the state  
28 board may be used by the state board annually for administrative costs  
29 related to the implementation of the provisions of this chapter.

30          (d) Allowable administrative costs include, but are not limited to, op-  
31 erating expenses for the implementation and maintenance of a database,  
32 operating expenses to administer the program, personnel costs neces-  
33 sary to administer the program and costs related to promoting awareness  
34 of the program.

35          (e) Any unused annual funds shall be deposited into the opportunity  
36 scholarship program account.

37          (f) Pending use, surplus moneys in the account shall be invested by the  
38 state treasurer or endowment fund investment board in the same manner  
39 as provided under section 67-1210 or 68-501, Idaho Code, as applicable.  
40 Interest earned on the investments shall be returned to the account.

41          (101) The effectiveness of the Idaho opportunity scholarship will be  
42 evaluated by the state board on a regular basis. This evaluation will in-  
43 clude annual data collection as well as longer-term evaluations.

**STATEMENT OF PURPOSE**

**RS25720**

To add provisions to the Advanced Opportunities Section of Code to clarify what postsecondary courses or credit-bearing examinations qualify for state funding. The provisions will ensure that students and parents are making informed and purposeful decisions about what courses and exams to pursue and how those courses and exams will transfer to a postsecondary course of study leading to a badge, certificate or degree.

**FISCAL NOTE**

There is no fiscal impact anticipated associated with these changes. An increased appropriation of \$8 million has been recommended to address growth in the Advanced Opportunities program.

**Contact:**

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208-334-2100

**Statement of Purpose/Fiscal Note**

**Bill No.**

PLANNING, POLICY AND GOVERNMENTAL AFFAIRS  
JANUARY 18, 2018

RS25720



Sixty-fourth Legislature

LEGISLATURE OF THE STATE OF IDAHO



Second Regular Session - 2018

IN THE \_\_\_\_\_

BILL NO. \_\_\_\_\_

BY \_\_\_\_\_

AN ACT

RELATING TO THE ADVANCED OPPORTUNITIES SCHOLARSHIP; AMENDING SECTION 33-4602, IDAHO CODE, TO PROVIDE ELIGIBILITY REQUIREMENTS FOR DUAL CREDIT COURSES AND POSTSECONDARY CREDIT-BEARING EXAMINATIONS TO QUALIFY FOR THE ADVANCED OPPORTUNITIES SCHOLARSHIP, TO PROVIDE THAT A STUDENT MUST APPLY FOR THE SCHOLARSHIP WITHIN TWO YEARS OF GRADUATION FROM A PUBLIC SCHOOL AND TO MAKE TECHNICAL CORRECTIONS.

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

SECTION 1. That Section 33-4602, Idaho Code, be, and the same is hereby amended to read as follows:

33-4602. ADVANCED OPPORTUNITIES -- RULEMAKING. (1) Students attending public schools in Idaho will be eligible for four thousand one hundred twenty-five dollars (\$4,125) to use toward overload courses, dual credits, college credit-bearing examinations and professional certificate examinations. Students may access these funds in grades 7 through 12 for:

(a) Overload courses, the distribution of which may not exceed two hundred twenty-five dollars (\$225) per overload course. A student must take and successfully be completing a full credit load within a given school year to be eligible for funding of an overload course. An overload course must be taken for high school credit to be eligible for funding.

(b) Eligible dual credits, the distribution of which may not exceed seventy-five dollars (\$75.00) per one (1) dual credit hour.

(c) Eligible college postsecondary credit-bearing or professional certificate examinations.

(2) To qualify as an eligible overload course for the program, the course must be offered by a provider accredited by the organization that accredits Idaho high schools and be taught by an individual certified to teach the grade and subject area of the course in Idaho. Eligible examinations include advanced placement (AP), international baccalaureate (IB), college-level examination program (CLEP) and ~~professional~~ career technical examinations, including assessments that lead to a badge recognized by the division of career and technical education. The state department of education shall maintain a list of such examinations and costs.

(3) To qualify as an eligible dual credit course, the course must be:

(a) A core foundational course;

(b) A credit-bearing 100 level course or higher;

(c) An elective course taken for the purpose of career exploration. A student may not exceed fifteen (15) elective postsecondary credits for purposes of this section; or

(d) Part of a postsecondary pathway toward earning a badge, certificate or degree.



1       (4) These moneys may be used to pay an amount not to exceed the price  
2 to the student of such courses and examinations pursuant to the limitations  
3 stated in this subsection. Payments made under this subsection shall be made  
4 from the moneys appropriated for the educational support program. No later  
5 than January 15, the state department of education shall annually report to  
6 the education committees of the senate and the house of representatives de-  
7 tails regarding the number of students benefiting from assistance with the  
8 cost of overload courses, dual credit courses and examinations, the number  
9 of credits awarded and amounts paid pursuant to this subsection during the  
10 previous school year.

11       (45) The board of each public school may set forth criteria by which a  
12 student may challenge a course. If a student successfully meets the crite-  
13 ria set forth by the board of the public school, then the student shall be  
14 counted as having completed all required coursework for that course. The  
15 public school, with the exception of Idaho tribal schools, shall be funded  
16 for such students based upon either actual hours of attendance or the course  
17 that the student has successfully passed, whichever is more advantageous to  
18 the public school, up to the maximum of one (1) full-time student.

19       (56) Any student who successfully completes public school grades 1  
20 through 12 curriculum at least one (1) year early shall be eligible for an  
21 advanced opportunities scholarship. The scholarship may be used for tu-  
22 ition and fees at any Idaho public postsecondary educational institution.  
23 The amount of the scholarship shall equal thirty-five percent (35%) of the  
24 statewide average daily attendance-driven funding per enrolled pupil for  
25 each year of grades 1 through 12 curriculum avoided by the student's early  
26 graduation. Each public school shall receive an amount equal to each such  
27 awarded scholarship for each student that graduates early from ~~their~~ that  
28 public school. Students must apply for the scholarship within two (2) years  
29 of graduating from a public school.

30       (67) The state department of education shall reimburse public schools  
31 or public postsecondary educational institutions, as applicable, for such  
32 costs, up to the stated limits, within one hundred twenty-five (125) days of  
33 receiving the necessary data upon which reimbursements may be paid. The sub-  
34 mission method and timelines of reimbursement data shall be determined by  
35 the state department of education. Payments will be made only for activity  
36 occurring and reported within each fiscal year.

37       (78) For public funding purposes, average daily attendance shall be  
38 counted as normal for students participating in dual credit courses pursuant  
39 to this section.

40       (89) If a student fails to earn credit for any course for which the de-  
41 partment has paid a reimbursement, the student must pay for and successfully  
42 earn credit for one (1) like course before the state department of education  
43 may pay any further reimbursements for the student. If a student performs  
44 inadequately on an examination for which the state department of education  
45 has paid a reimbursement, the public school shall determine whether the stu-  
46 dent must pay for and successfully pass such examination to continue receiv-  
47 ing state funding. Repeated and remedial courses or examinations are not el-  
48 igible for funding through these programs.

49       (910) The state department of education shall reimburse community col-  
50 leges or counties, as applicable, for any out-of-district county tuition

1 payments that would otherwise be made by a county to a community college  
 2 pursuant to section 33-2110A, Idaho Code. Such reimbursements shall be in an  
 3 amount not to exceed fifty dollars (\$50.00) per credit hour and only for dual  
 4 credit courses taken pursuant to this section.

5 (101) Public schools shall establish timelines and requirements for  
 6 participation in the program, including implementing procedures for the  
 7 appropriate transcription of credits, reporting of program participation  
 8 and financial transaction requirements. Public schools shall make reason-  
 9 able efforts to ensure that any student who considers participating in the  
 10 program also considers the challenges and time necessary to succeed in the  
 11 program, and schools shall make reasonable efforts to include guidance on  
 12 how the student's participation in the program contributes to prospective  
 13 college and career pathways. Such efforts by the district shall be performed  
 14 prior to a student participating in the program and throughout ~~their~~ the  
 15 student's involvement in the program.

16 (112) Policies and procedures for participating in the program estab-  
 17 lished by the public school must be such that students have an opportunity  
 18 to participate in the program and meet district-established timelines and  
 19 requirements for financial transactions, transcribing credits and state  
 20 department of education reporting. Participation in this program requires  
 21 parent and student agreement to program requirements and completion of the  
 22 state department of education's participation form documenting the program  
 23 requirements.

24 (123) Parents of participating students may enroll their child in any  
 25 eligible course, with or without the permission of the public school in which  
 26 the student is enrolled. Tribal school students must follow their schools'  
 27 enrollment policies and procedures. Public school personnel shall assist  
 28 parents in the process of enrolling students in such courses. Each partic-  
 29 ipating student's high school transcript at the public school at which the  
 30 student is enrolled shall include the credits earned and grades received by  
 31 the student for any overload or dual credit courses taken pursuant to this  
 32 section. For an eligible course to be transcribed as meeting the require-  
 33 ments of a core subject as identified in administrative rule, the course must  
 34 meet the approved content standards for the applicable subject and grade  
 35 level.

36 (134) Participating public schools shall collaborate with Idaho public  
 37 postsecondary educational institutions to assist students who seek to par-  
 38 ticipate in dual credit courses or graduate from high school early by en-  
 39 rolling in postsecondary courses. Participating school districts, charter  
 40 schools and Idaho public postsecondary educational institutions shall re-  
 41 port to the state board of education and the education committees of the sen-  
 42 ate and the house of representatives any difficulties or obstacles they ex-  
 43 perience in providing assistance to participating students.

44 (145) The state board of education may promulgate rules to implement the  
 45 provisions of this chapter.