

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 24

BY COMMERCE AND HUMAN RESOURCES COMMITTEE

AN ACT

1 RELATING TO THE WORKFORCE DEVELOPMENT COUNCIL; PROVIDING LEGISLATIVE IN-
2 TENT; AMENDING CHAPTER 12, TITLE 72, IDAHO CODE, BY THE ADDITION OF A
3 NEW SECTION 72-1204, IDAHO CODE, TO DEFINE TERMS; AMENDING CHAPTER 12,
4 TITLE 72, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 72-1205, IDAHO
5 CODE, TO ESTABLISH PROVISIONS REGARDING THE IDAHO LAUNCH GRANT PROGRAM;
6 AMENDING SECTION 33-4305, IDAHO CODE, TO PROVIDE FOR APPROPRIATIONS TO
7 THE IN-DEMAND CAREERS FUND, TO PROVIDE FOR THE USAGE OF EXCESS FUNDS,
8 AND TO REDESIGNATE THE SECTION; AMENDING SECTION 33-4602, IDAHO CODE,
9 TO PROVIDE FOR THE TRANSFER OF EXCESS FUNDS TO THE IN-DEMAND CAREERS
10 FUND; AMENDING SECTION 33-4605, IDAHO CODE, TO PROVIDE SUNSET DATES
11 FOR THE POSTSECONDARY CREDIT SCHOLARSHIP PROGRAM; AMENDING SECTION
12 33-4303, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE IDAHO OPPOR-
13 TUNITY SCHOLARSHIP PROGRAM; AMENDING SECTION 63-3638, IDAHO CODE, TO
14 PROVIDE A CORRECT CODE REFERENCE; AND DECLARING AN EMERGENCY AND PRO-
15 VIDING AN EFFECTIVE DATE.
16

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

18 SECTION 1. LEGISLATIVE INTENT. The purpose of this act is to enable
19 the Workforce Development Council to coordinate the state's policy to match
20 Idaho students with Idaho jobs in in-demand fields. The Legislature finds
21 that there are many pathways to a successful career, including workforce
22 training, career technical programs, community colleges, and colleges. The
23 Legislature further finds that an educated workforce is an enormous asset
24 for the state's economy. With unemployment at record lows and inflation at
25 record highs, the need for skilled workers is critical for our state's con-
26 tinued economic prosperity.

27 SECTION 2. That Chapter 12, Title 72, Idaho Code, be, and the same is
28 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
29 ignated as Section 72-1204, Idaho Code, and to read as follows:

30 72-1204. IDAHO LAUNCH GRANT PROGRAM AND IN-DEMAND CAREERS FUND -- DEF-
31 INITIONS. As used in this section through section 72-1206, Idaho Code:

32 (1) "Board" means the state board of education.

33 (2) "Council" means the workforce development council established in
34 this chapter.

35 (3) "Eligible adult learner" means an Idaho resident who is pursuing
36 education or training for an in-demand career.

37 (4) "Eligible education expenses" means:

38 (a) Student tuition and fees at an eligible institution;

39 (b) Room and board for the eligible institution, not to exceed actual
40 cost; or

1 (c) Fees for national standardized assessments or industry-recognized
2 certification examinations.

3 (5) "Eligible institution" means a training provider as recognized by
4 the council under the workforce innovation and opportunity act or the work-
5 force development training fund. Eligible institution also means a public
6 postsecondary organization governed or supervised by the board, a board of
7 trustees of a community college established pursuant to the provisions of
8 chapter 21, title 33, Idaho Code, or any educational organization located in
9 Idaho that is:

10 (a) Operated privately;

11 (b) Classified as not-for-profit under state law;

12 (c) Under the control of an independent board and not directly con-
13 trolled or administered by a public or political subdivision; and

14 (d) Accredited by an organization recognized by the board as provided
15 in section 33-2402, Idaho Code.

16 (6) "Eligible student" means a student who:

17 (a) Is an Idaho resident;

18 (b) Will graduate from an accredited high school or its equivalent in
19 Idaho as determined by the board beginning with the spring 2024 graduat-
20 ing class;

21 (c) Has enrolled in or applied to an eligible institution and begins en-
22 rollment in the fall semester following graduation, unless the council
23 grants an extension for extenuating circumstances such as those out-
24 lined in section 72-1205, Idaho Code; and

25 (d) Has used next steps Idaho or an equivalent career exploration pro-
26 gram accepted by the council and has completed a career pathway plan
27 that meets the minimum requirements established by the council.

28 (7) "Grant" means an amount to be determined annually by the council
29 that shall not be set lower than eight thousand five hundred dollars (\$8,500)
30 per eligible student.

31 (8) "Grant distribution platform" means a digital platform through
32 which grant funds are transferred from the council to the account of a par-
33 ticipant to be used for eligible education expenses.

34 (9) "In-demand careers" means careers that have a high number of open-
35 ings in Idaho or an expected high rate of growth in Idaho. In-demand careers
36 are to be determined annually by the council based on job market data.

37 (10) "Participant" means an Idaho resident for whom a grant is awarded
38 under section 72-1205, Idaho Code.

39 (11) "Program" means the Idaho launch grant program established by sec-
40 tion 72-1205, Idaho Code.

41 (12) "Resident" means an individual meeting legal residency require-
42 ments as defined in section 33-3717B, Idaho Code.

43 SECTION 3. That Chapter 12, Title 72, Idaho Code, be, and the same is
44 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
45 igned as Section 72-1205, Idaho Code, and to read as follows:

46 72-1205. IDAHO LAUNCH GRANT PROGRAM. (1) There is hereby established
47 the Idaho launch grant program to be administered by the council according
48 to the provisions of this section. The purpose of the program is to provide
49 education grants for eligible students.

1 (2) In order to administer the program, the council shall consult with
2 necessary agencies to:

3 (a) Create and administer, or designate a third party to create and ad-
4 minister, a grant distribution platform;

5 (b) Establish a grant application process for eligible students. To
6 ensure eligible students receive notification prior to postsecondary
7 institution enrollment deadlines, the council may stagger applications
8 so that initial grant awards are announced by December 31 in the year
9 preceding an eligible student's graduation from high school and that
10 additional grant awards be made no later than June 1 of the academic year
11 the eligible student graduates from high school;

12 (c) Award grants to eligible students, subject to legislative appro-
13 priation and to the following conditions:

14 (i) If eligible student applications exceed available funding in
15 a fiscal year, grant awards shall be prioritized first based on the
16 pursuit of in-demand careers. If additional funds remain, priori-
17 tization shall then be based on financial need; and

18 (ii) If available funding in a fiscal year exceeds eligible stu-
19 dents, any unused appropriations may be used in accordance with
20 section 72-1206(4), Idaho Code; and

21 (d) Take other such actions as are necessary to implement and enforce
22 the provisions of this section.

23 (3) Participants must expend all grant funds within four (4) years of
24 the award date. Any remaining funds after a break in enrollment exceeding
25 six (6) months or unused funds at the end of the four (4) year period shall
26 revert to the in-demand careers fund established in section 72-1206, Idaho
27 Code. The council or its designated staff may grant an extension or excep-
28 tion by demonstrating to the council an extenuating circumstance, including
29 but not limited to religious service, military service, structured volun-
30 teer service, or health or medical issues.

31 (4) No more than one half (1/2) of the initial grant award may be ex-
32 pended by a participant in any academic year; provided, however, that this
33 subsection shall not apply:

34 (a) To a participant in a program that is less than twelve (12) months in
35 length; or

36 (b) In other extenuating circumstances as determined by the council.

37 (5) Grant awards shall be capped at one (1) grant per eligible student.

38 (6) The council shall adopt policies outlining triggering events that
39 may lead to earlier reversion of student grants or repayment grants, in-
40 cluding but not limited to unsatisfactory academic progress, expulsion, or
41 transfer to an out-of-state program prior to attainment of a credential or
42 degree. Any reverted or repaid grants shall be paid to the in-demand careers
43 fund established in section 72-1206, Idaho Code.

44 SECTION 4. That Section 33-4305, Idaho Code, be, and the same is hereby
45 amended to read as follows:

46 ~~33-4305~~ 72-1206. IN-DEMAND CAREERS FUND. (1) There is hereby estab-
47 lished in the state treasury the in-demand careers fund.

48 (2) Moneys in the in-demand careers fund are subject to legislative ap-
49 propriation and shall consist of the following:

- 1 (a) Legislative appropriations;
 2 (b) Donations and contributions made to the fund; ~~and~~
 3 (c) Interest earned on idle moneys in the fund-;
 4 (d) Moneys transferred pursuant to section 63-3638 (17), Idaho Code;
 5 (e) Moneys reverted or repaid to the fund pursuant to section 72-1205,
 6 Idaho Code; and
 7 (f) Moneys transferred pursuant to section 33-4602 (14), Idaho Code.

8 (3) The in-demand careers fund shall be used to award grants as outlined
 9 in section 72-1205, Idaho Code.

10 (4) When the available appropriation in a fiscal year exceeds partici-
 11 pants, the council may use excess moneys as follows:

12 (a) Up to ten million dollars (\$10,000,000) of the remaining appropri-
 13 ation may be used to provide enhanced grant funding to either eligible
 14 students or eligible adult learners based upon the following condi-
 15 tions:

16 (i) If potential awards from the council exceed available funding
 17 from the enhanced grants, awards shall be prioritized first based
 18 on the pursuit of in-demand careers; and

19 (ii) If, following the prioritization provided for in subpara-
 20 graph (i) of this paragraph, additional moneys remain for awards,
 21 prioritization shall then be based on financial need.

22 (b) In cases in which the demand for enhanced grants as provided for in
 23 this subsection exceeds the available appropriation, the council may
 24 give preference to eligible students who pursue programs that offer
 25 a money-back guarantee if the program's graduates do not find work in
 26 their chosen field within a certain time period after graduation.

27 (c) The remaining appropriation shall be retained in the fund and
 28 be subject to legislative appropriation in subsequent legislative
 29 sessions for the purposes of expanding in-demand career training oppor-
 30 tunities.

31 SECTION 5. That Section 33-4602, Idaho Code, be, and the same is hereby
 32 amended to read as follows:

33 33-4602. ADVANCED OPPORTUNITIES -- RULEMAKING. (1) Students attend-
 34 ing public schools in Idaho will be eligible for four thousand one hundred
 35 twenty-five dollars (\$4,125) to use toward overload courses, dual credits,
 36 postsecondary credit-bearing examinations, career technical certificate
 37 examinations, career technical education workforce training courses, col-
 38 lege entrance examinations, and preliminary college entrance examinations.
 39 Students may access these funds in grades 7 through 12 for:

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

47 (i) Be offered by a provider accredited by the organization that
 48 accredits Idaho public schools; and

- 1 (ii) Be taught by an individual certified to teach the grade and
2 subject area of the course in Idaho.
- 3 (b) Eligible dual credits, the distribution of which may not exceed
4 seventy-five dollars (\$75.00) per one (1) dual credit hour. Dual credit
5 courses must be offered by a regionally accredited postsecondary insti-
6 tution. To qualify as an eligible dual credit course, the course must be
7 a credit-bearing 100 level course or higher.
- 8 (c) Eligible postsecondary credit-bearing or career technical cer-
9 tificate examinations. The state department of education shall main-
10 tain a list of eligible exams and costs. Eligible costs include the cost
11 of the examination, proctor fees, and administrative fees. Eligible
12 examinations include:
- 13 (i) Advanced placement (AP);
14 (ii) International baccalaureate (IB);
15 (iii) College-level examination program (CLEP); and
16 (iv) Career technical education examinations that lead to an in-
17 dustry-recognized certificate, license, or degree.
- 18 (d) CTE workforce training courses, such as federally registered ap-
19 prenticeships, the distribution of which may not exceed five hundred
20 dollars (\$500) per course and one thousand dollars (\$1,000) per year.
21 The state department of education shall collaborate with the division
22 of career technical education to maintain a list of eligible training
23 courses and costs. Eligible training courses must:
- 24 (i) Be provided by an Idaho public technical college;
25 (ii) Lead to an industry-recognized certificate, license, or de-
26 gree;
27 (iii) Be required training for occupations deemed regionally in
28 demand;
29 (iv) Be courses that are not otherwise available at the student's
30 high school; and
31 (v) Allow high school-aged students to participate.
- 32 (e) College entrance examinations and preliminary college entrance
33 examinations. The state department of education shall maintain a list
34 of eligible examinations and costs, provided that a student may not use
35 funds provided under this section to take the same examination more than
36 once. Eligible costs include the cost of the examination, proctor fees,
37 and administrative fees. Eligible examinations include the SAT, the
38 PSAT, the ACT, and other similar examinations identified by the depart-
39 ment.
- 40 (2) A student who has earned fifteen (15) postsecondary credits using
41 the advanced opportunities program and who wishes to earn additional cred-
42 its must first identify his postsecondary goals. Advisors shall counsel any
43 student who wishes to take dual credit courses that the student should ascer-
44 tain for himself whether the particular postsecondary institution that he
45 desires to attend will accept the transfer of coursework credits under this
46 section.
- 47 (3) These moneys may be used to pay an amount not to exceed the price
48 to the student of such courses and examinations pursuant to the limitations
49 stated in this section. These moneys shall not supplant existing program
50 funds. Payments made under this section shall be made from the moneys ap-

1 appropriated for the educational support program. No later than January 15,
2 the state department of education shall annually report to the education
3 committees of the senate and the house of representatives details regarding
4 the number of students benefiting from assistance with the cost of overload
5 courses, dual credit courses and examinations, the number of credits awarded
6 and amounts paid pursuant to this section during the previous school year.

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

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

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

33 (7) For public funding purposes, average daily attendance shall be
34 counted as normal for students participating in dual credit courses pursuant
35 to this section.

36 (8) If a student fails to earn credit or successfully complete a course
37 for which the department has paid a reimbursement, the student must pay for
38 and successfully earn credit or complete one (1) like course before the state
39 department of education may pay any further reimbursements for the student.
40 If a student performs inadequately on an examination for which the state de-
41 partment of education has paid a reimbursement, the public school shall de-
42 termine whether the student must pay for and successfully pass such examina-
43 tion to continue receiving state funding. Repeated and remedial courses or
44 examinations are not eligible for funding through these programs.

45 (9) The state department of education shall reimburse community col-
46 leges or counties, as applicable, for any out-of-district county tuition
47 pursuant to section 33-2110A, Idaho Code. Such reimbursements shall be in an
48 amount not to exceed fifty dollars (\$50.00) per credit hour and only for dual
49 credit courses taken pursuant to this section.

1 (10) Public schools shall establish timelines and requirements for par-
2 ticipation in the program, including implementing procedures for the appro-
3 priate transcription of credits, reporting of program participation and fi-
4 nancial transaction requirements. Public schools shall make reasonable ef-
5 forts to ensure that any student who considers participating in the program
6 also considers the challenges and time necessary to succeed in the program,
7 and schools shall make reasonable efforts to include guidance on how the stu-
8 dent's participation in the program contributes to prospective college and
9 career pathways. Such efforts by the district shall be performed prior to a
10 student participating in the program and throughout the student's involve-
11 ment in the program.

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

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

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

40 (14) If actual expenditures for the program pursuant to this section are
41 less than the appropriation for the year, excess funds shall be transferred
42 to the in-demand careers fund established in section 72-1206, Idaho Code, to
43 further workforce training for in-demand careers.

44 ~~(14)~~ (15) The state board of education may promulgate rules to implement
45 the provisions of this chapter.

46 SECTION 6. That Section 33-4605, Idaho Code, be, and the same is hereby
47 amended to read as follows:

48 33-4605. POSTSECONDARY CREDIT SCHOLARSHIP. (1) Subject to the provi-
49 sions of subsections (2), (3) and (4) of this section, beginning with the

1 spring 2016 graduating class and concluding with the summer 2023 graduating
2 class:

3 (a) Any student who has earned at least ten (10) postsecondary semester
4 credits upon graduation from an accredited high school in Idaho, or its
5 equivalent, shall be entitled to a postsecondary credit scholarship in
6 an amount of up to two thousand dollars (\$2,000) that shall be used for
7 tuition and fees at any eligible institution.

8 (b) Any student who has earned at least twenty (20) postsecondary
9 semester credits upon graduation from an accredited high school in
10 Idaho, or its equivalent, shall be entitled to a postsecondary credit
11 scholarship in an amount of up to four thousand dollars (\$4,000) that
12 shall be used for tuition and fees at any eligible institution.

13 (c) Any student who has earned an associate degree from an accredited
14 institution upon graduation from an accredited high school in Idaho, or
15 its equivalent, shall be entitled to a postsecondary credit scholarship
16 in the amount of eight thousand dollars (\$8,000) that shall be used for
17 tuition and fees at any eligible institution.

18 (2) For subsection (1) (a) and (b) of this section, the award amount
19 shall be limited by the number of credits accepted by the eligible institu-
20 tion where the scholarship is to be applied. For subsection (1) (a) through
21 (c) of this section, the awards shall be annual awards and one-quarter (1/4)
22 of the scholarship amount the student is entitled to shall be distributed
23 in each semester of full-time attendance until the total scholarship is ex-
24 pended or expires.

25 (3) In order to be eligible for a full postsecondary credit scholarship
26 set forth in subsection (1) of this section:

27 (a) The student must be awarded a postsecondary matching scholarship in
28 an amount at least equal to the postsecondary credit scholarship amount
29 awarded in the same school year, provided that the matching funds for
30 each scholarship must come from a business or industry, or entities rep-
31 resenting business or industry, and may not be from appropriated or non-
32 appropriated funds of the postsecondary institution or from a founda-
33 tion affiliated with the postsecondary institution, unless the funds
34 were donated to the postsecondary institution specifically as a match
35 for the postsecondary credit scholarship program;

36 (b) The student must have graduated from an accredited high school in
37 Idaho, or its equivalent; and

38 (c) Except for the first semester in which the postsecondary credit
39 scholarship amount is distributed, in order to receive the scholarship
40 distribution in a given semester, the student must have successfully
41 earned at least twelve (12) credits during the immediately preceding
42 semester in which the scholarship was distributed.

43 (4) Eligible students will be awarded the postsecondary credit schol-
44 arship based on grade point average rank subject to annual legislative ap-
45 propriation.

46 (5) A student shall use the postsecondary credit scholarship within
47 four (4) years of his or her high school graduation date, at which time the
48 scholarship shall expire and may no longer be used.

49 (6) A student is entitled to only one (1) of the postsecondary credit
50 scholarship amounts set forth in subsection (1) of this section.

1 (7) If a student has been awarded scholarships that pay for one hun-
 2 dred percent (100%) of the cost of tuition and fees, then part or all of the
 3 remaining postsecondary credit scholarship moneys may be used for room and
 4 board at the discretion of the eligible institution where the student will
 5 attend.

6 (8) This section shall be funded from the advanced opportunities
 7 program within the educational support program. The state department of
 8 education shall pass through to the office of the state board of education
 9 the necessary amount for distribution not to exceed one million dollars
 10 (\$1,000,000) in fiscal year 2017, and not to exceed two million dollars
 11 (\$2,000,000) in fiscal year 2018 ~~and every fiscal year thereafter~~ through
 12 fiscal year 2024.

13 (9) No later than January 15 of each year, the state board of education
 14 shall report to the senate and the house of representatives education com-
 15 mittees the number of scholarships awarded pursuant to this section during
 16 the previous school year. The report shall include the total amount of mon-
 17 eys distributed for the scholarships.

18 (10) For the purposes of this section, "eligible institution" has the
 19 same meaning as provided in section 33-4303(2) (b), Idaho Code.

20 (11) Matching business or industry scholarships must be competitively
 21 awarded, must be available to all eligible students, and may not be awarded
 22 by a relative or a business owned or administered by a relative. As used
 23 in this section, "relative" shall mean any person related to the student by
 24 blood or marriage within the second degree of affinity or consanguinity.

25 (12) No new postsecondary credit scholarships may be awarded by the
 26 board on or after July 1, 2023.

27 (13) The provisions of this section shall be null, void, and of no force
 28 and effect on and after December 31, 2027.

29 SECTION 7. That Section 33-4303, Idaho Code, be, and the same is hereby
 30 amended to read as follows:

31 33-4303. IDAHO OPPORTUNITY SCHOLARSHIP. (1) The purposes of this sec-
 32 tion are to:

33 (a) Recognize that all Idaho citizens benefit from an educated citi-
 34 zenry;

35 (b) Increase individual economic vitality and improve the overall
 36 quality of life for many of Idaho's citizens;

37 (c) Provide access to eligible Idaho postsecondary education through
 38 funding to remove financial barriers;

39 (d) Increase the opportunity for economically disadvantaged Idaho stu-
 40 dents; and

41 (e) Incentivize students to complete a postsecondary education degree
 42 or certificate.

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

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

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

8 (i) Operated privately;

9 (ii) Classified as not-for-profit under state law;

10 (iii) Under the control of an independent board and not directly
11 controlled or administered by a public or political subdivision;
12 and

13 (iv) Accredited by an organization recognized by the state board
14 as provided in section 33-2402, Idaho Code.

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

16 (i) Is an Idaho resident as defined in section 33-3717B, Idaho
17 Code;

18 (ii) Has graduated or will graduate prior to July 1, 2023, from an
19 accredited high school or its equivalent in Idaho as determined by
20 the state board;

21 (iii) Has enrolled or applied to an eligible Idaho postsecondary
22 educational institution;

23 (iv) Is a postsecondary undergraduate student who has not pre-
24 viously completed a baccalaureate (bachelor's) degree or higher;
25 and

26 (v) Meets need and merit criteria as set by the state board.

27 "Eligible student" also means a student who has met the eligibility
28 requirements and was awarded an opportunity scholarship prior to June
29 30, 2014. Continued eligibility shall be based upon the eligibility
30 requirements at the time of the original award.

31 (d) "Opportunity scholarship program" means the scholarship program
32 described in this section and in the rules established by the state
33 board.

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

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

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

43 (4) An eligible student must:

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

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

48 (5) Funds that are available for the opportunity scholarship program
49 shall be used to provide scholarships based upon a shared model of respon-
50 sibility between the scholarship recipient and the recipient's family,

1 the federal government and the participating eligible Idaho postsecondary
2 educational institution that the recipient attends for covering the educa-
3 tional costs.

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

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

13 (8) Award payments shall be made annually to an eligible Idaho postsec-
14 ondary educational institution. In no instance may the entire amount of an
15 award be paid to or on behalf of such student in advance.

16 (9) If an eligible student becomes ineligible for a scholarship under
17 the provisions of this chapter, or if a student discontinues attendance
18 before the end of any semester, quarter, term or equivalent covered by
19 the award after receiving payment under this chapter, the eligible Idaho
20 postsecondary educational institution shall remit, up to the amount of any
21 payments made under this program, any prorated tuition or fee balances to the
22 state board.

23 (10) There is hereby created an account in the state treasury to be des-
24 ignated the opportunity scholarship program account.

25 (a) The account shall consist of moneys appropriated to the account by
26 the legislature, moneys contributed to the account from other sources
27 and the earnings on such moneys. The executive director of the state
28 board may receive on behalf of the state board any moneys or real or per-
29 sonal property donated, bequeathed, devised or conditionally granted
30 to the state board for purposes of providing funding for such account.
31 Moneys received directly or derived from the sale of such property shall
32 be deposited by the state treasurer in the account.

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

37 (c) All moneys placed in the account and earnings thereon are hereby
38 perpetually appropriated to the state board for the purpose described
39 in paragraph (b) of this subsection. All expenditures from the account
40 shall be paid out in warrants drawn by the state controller upon presen-
41 tation of the proper vouchers. Up to fifty thousand dollars (\$50,000)
42 of the annual earnings distribution to the state board may be used by the
43 state board annually for administrative costs related to the implemen-
44 tation of the provisions of this chapter.

45 (d) Allowable administrative costs include, but are not limited to, op-
46 erating expenses for the implementation and maintenance of a database,
47 operating expenses to administer the program, personnel costs neces-
48 sary to administer the program and costs related to promoting awareness
49 of the program.

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

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

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

10 (12) No new opportunity scholarships, excluding renewals, may be
11 awarded by the board on or after July 1, 2023.

12 SECTION 8. That Section 63-3638, Idaho Code, be, and the same is hereby
13 amended to read as follows:

14 63-3638. SALES TAX -- DISTRIBUTION. All moneys collected under this
15 chapter, except as may otherwise be required in sections 63-3203, 63-3620F,
16 and 63-3709, Idaho Code, and except as provided in subsection (16) of this
17 section, shall be distributed by the state tax commission as follows:

18 (1) An amount of money shall be distributed to the state refund account
19 sufficient to pay current refund claims. All refunds authorized under this
20 chapter by the state tax commission shall be paid through the state refund
21 account, and those moneys are continuously appropriated.

22 (2) Five million dollars (\$5,000,000) per year is continuously appro-
23 priated and shall be distributed to the permanent building fund, provided by
24 section 57-1108, Idaho Code.

25 (3) Four million eight hundred thousand dollars (\$4,800,000) per year
26 is continuously appropriated and shall be distributed to the water pollution
27 control fund established by section 39-3628, Idaho Code.

28 (4) An amount equal to the sum required to be certified by the chair-
29 man of the Idaho housing and finance association to the state tax commis-
30 sion pursuant to section 67-6211, Idaho Code, in each year is continuously
31 appropriated and shall be paid to any capital reserve fund established by
32 the Idaho housing and finance association pursuant to section 67-6211, Idaho
33 Code. Such amounts, if any, as may be appropriated hereunder to the capital
34 reserve fund of the Idaho housing and finance association shall be repaid for
35 distribution under the provisions of this section, subject to the provisions
36 of section 67-6215, Idaho Code, by the Idaho housing and finance associa-
37 tion, as soon as possible, from any moneys available therefor and in excess
38 of the amounts the association determines will keep it self-supporting.

39 (5) An amount equal to the sum required by the provisions of sections
40 63-709 and 63-717, Idaho Code, after allowance for the amount appropriated
41 by section 63-718(3), Idaho Code, is continuously appropriated and shall be
42 paid as provided by sections 63-709 and 63-717, Idaho Code.

43 (6) An amount required by the provisions of chapter 53, title 33, Idaho
44 Code.

45 (7) An amount required by the provisions of chapter 87, title 67, Idaho
46 Code.

47 (8) For fiscal year 2011 and each fiscal year thereafter, four million
48 one hundred thousand dollars (\$4,100,000), of which two million two hundred
49 thousand dollars (\$2,200,000) shall be distributed to each of the forty-four

1 (44) counties in equal amounts and one million nine hundred thousand dol-
2 lars (\$1,900,000) shall be distributed to the forty-four (44) counties in
3 the proportion that the population of the county bears to the population of
4 the state. For fiscal year 2012 and for each fiscal year thereafter, the
5 amount distributed pursuant to this subsection shall be adjusted annually
6 by the state tax commission in accordance with the consumer price index for
7 all urban consumers (CPI-U) as published by the U.S. department of labor,
8 bureau of labor statistics, but in no fiscal year shall the total amount
9 allocated for counties under this subsection be less than four million one
10 hundred thousand dollars (\$4,100,000). Any increase resulting from the ad-
11 justment required in this section shall be distributed to each county in the
12 proportion that the population of the county bears to the population of the
13 state. Each county shall establish a special election fund to which shall
14 be deposited all revenues received from the distribution pursuant to this
15 subsection. All such revenues shall be used exclusively to defray the costs
16 associated with conducting elections as required of county clerks by the
17 provisions of section 34-1401, Idaho Code.

18 (9) One dollar (\$1.00) on each application for certificate of title
19 or initial application for registration of a motor vehicle, snowmobile,
20 all-terrain vehicle or other vehicle processed by the county assessor or the
21 Idaho transportation department, excepting those applications in which any
22 sales or use taxes due have been previously collected by a retailer, shall be
23 a fee for the services of the assessor of the county or the Idaho transporta-
24 tion department in collecting such taxes and shall be paid into the current
25 expense fund of the county or state highway account established in section
26 40-702, Idaho Code.

27 (10) Eleven and five-tenths percent (11.5%) is continuously appro-
28 priated and shall be distributed to the revenue-sharing account, which is
29 hereby created in the state treasury, and the moneys in the revenue-sharing
30 account will be paid in installments each calendar quarter by the state tax
31 commission as follows:

32 (a) Forty-five and two-tenths percent (45.2%) shall be paid to the var-
33 ious cities as follows:

34 (i) Beginning in fiscal year 2025 and each fiscal year there-
35 after, four million dollars (\$4,000,000) shall be transferred
36 each quarter to the state public defense fund created in section
37 57-827, Idaho Code.

38 (ii) After the distribution required by subparagraph (i) of this
39 paragraph, the revenue-sharing amount calculated by the state tax
40 commission for the various cities for each quarter of fiscal year
41 2020 shall be the base amount for current quarterly revenue dis-
42 tribution amounts. The state tax commission shall calculate the
43 per capita distribution for each city resulting from the previous
44 fiscal year's distributions.

45 (iii) If there is no change in the amount of the revenue-sharing
46 account from the same quarter of the previous fiscal year, then the
47 various cities shall receive the same amount received for the same
48 quarter of the previous fiscal year.

1 (iv) If the balance of the revenue-sharing account for the current
2 quarter is greater than the balance of the revenue-sharing account
3 for the same quarter of the previous fiscal year, then:

4 1. If the distributions made to the cities during the same
5 quarter of the previous fiscal year were below the base
6 amount established in fiscal year 2020, then the various
7 cities shall first receive a proportional increase up to the
8 base amount for each city and up to a one percent (1%) in-
9 crease over such base amount. Any remaining moneys shall be
10 distributed to cities with a below-average per capita dis-
11 tribution in the proportion that the population of that city
12 bears to the population of all cities with below-average per
13 capita distributions within the state.

14 2. If the distributions made to the cities during the same
15 quarter of the previous fiscal year were at or above the
16 base amount established in fiscal year 2020, then the cities
17 shall receive the same distribution they received during the
18 same quarter of the previous fiscal year plus a proportional
19 increase up to one percent (1%). Any remaining moneys shall
20 be distributed to the cities with a below-average per capita
21 distribution in the proportion that the population of that
22 city bears to the population of all cities with a below-aver-
23 age per capita distribution within the state.

24 (v) If the balance of the revenue-sharing account for the cur-
25 rent quarter is less than the balance of the revenue-sharing ac-
26 count for the same quarter of the previous fiscal year, then the
27 cities shall first receive a proportional reduction down to the
28 base amount established in fiscal year 2020. If further reduc-
29 tions are necessary, the cities shall receive reductions based on
30 the proportion that each city's population bears to the population
31 of all cities within the state.

32 (b) Forty-seven and one-tenth percent (47.1%) shall be paid to the var-
33 ious counties as follows:

34 (i) Beginning in fiscal year 2025, five million dollars
35 (\$5,000,000) shall be transferred each quarter to the state public
36 defense fund created in section 57-827, Idaho Code. The growth
37 percentage distributed pursuant to this subparagraph shall be re-
38 calculated each quarter beginning in fiscal year 2026 and in each
39 fiscal year thereafter through fiscal year 2030. If the growth is
40 positive and is calculated over the same period from the previ-
41 ous fiscal year, a proportional increase in the initial transfer
42 amount of up to five percent (5%) annually shall be transferred to
43 the state public defense fund. After fiscal year 2030, an amount
44 equal to one-fourth (1/4) of the total amount transferred to the
45 state public defense fund in fiscal year 2030 pursuant to this
46 subparagraph shall be transferred quarterly to the state public
47 defense fund;

48 (ii) Following the distribution required by subparagraph (i) of
49 this paragraph, fifty-nine and eight-tenths percent (59.8%) of

1 the amount to be distributed under this paragraph (b) of this sub-
2 section shall be distributed as follows:

3 1. One million three hundred twenty thousand dollars
4 (\$1,320,000) annually shall be distributed one forty-fourth
5 (1/44) to each of the various counties; and

6 2. The balance of such amount shall be paid to the various
7 counties, and each county shall be entitled to an amount in
8 the proportion that the population of that county bears to
9 the population of the state; and

10 (iii) Following the distribution required by subparagraph (i) of
11 this paragraph, forty and two-tenths percent (40.2%) of the amount
12 to be distributed under this paragraph (b) of this subsection
13 shall be distributed as follows:

14 1. Each county that received a payment under the provisions
15 of section 63-3638(e), Idaho Code, as that subsection ex-
16 isted immediately prior to July 1, 2000, during the fourth
17 quarter of calendar year 1999, shall be entitled to a like
18 amount during succeeding calendar quarters.

19 2. If the dollar amount of money available under this sub-
20 section (10)(b)(iii) in any quarter does not equal the
21 amount paid in the fourth quarter of calendar year 1999, each
22 county's payment shall be reduced proportionately.

23 3. If the dollar amount of money available under this sub-
24 section (10)(b)(iii) in any quarter exceeds the amount paid
25 in the fourth quarter of calendar year 1999, each county
26 shall be entitled to a proportionately increased payment,
27 but such increase shall not exceed one hundred five percent
28 (105%) of the total payment made in the fourth quarter of
29 calendar year 1999.

30 4. If the dollar amount of money available under this sub-
31 section (10)(b)(iii) in any quarter exceeds one hundred five
32 percent (105%) of the total payment made in the fourth quar-
33 ter of calendar year 1999, any amount over and above such
34 one hundred five percent (105%) shall be paid to the various
35 counties in the proportion that the population of the county
36 bears to the population of the state; and

37 (c) Seven and seven-tenths percent (7.7%) of the amount appropriated in
38 this subsection shall be paid to the several counties for distribution
39 to special purpose taxing districts as follows:

40 (i) Each such district that received a payment under the provi-
41 sions of section 63-3638(e), Idaho Code, as such subsection ex-
42 isted immediately prior to July 1, 2000, during the fourth quarter
43 of calendar year 1999, shall be entitled to a like amount during
44 succeeding calendar quarters.

45 (ii) If the dollar amount of money available under this subsec-
46 tion (10)(c) in any quarter does not equal the amount paid in the
47 fourth quarter of calendar year 1999, each special purpose taxing
48 district's payment shall be reduced proportionately.

49 (iii) If the dollar amount of money available under this subsec-
50 tion (10)(c) in any quarter exceeds the amount distributed under

1 paragraph (c) (i) of this subsection, each special purpose tax-
2 ing district shall be entitled to a share of the excess based on
3 the proportion each such district's current property tax budget
4 bears to the sum of the current property tax budgets of all such
5 districts in the state. The state tax commission shall calculate
6 district current property tax budgets to include any unrecovered
7 forgone amounts as determined under section 63-802(1) (e), Idaho
8 Code. When a special purpose taxing district is situated in more
9 than one (1) county, the state tax commission shall determine the
10 portion attributable to the special purpose taxing district from
11 each county in which it is situated.

12 (iv) If special purpose taxing districts are consolidated, the
13 resulting district is entitled to a base amount equal to the sum of
14 the base amounts received in the last calendar quarter by each dis-
15 trict prior to the consolidation.

16 (v) If a special purpose taxing district is dissolved or disin-
17 corporated, the state tax commission shall continuously distrib-
18 ute to the board of county commissioners an amount equal to the
19 last quarter's distribution prior to dissolution or disincorpora-
20 tion. The board of county commissioners shall determine any re-
21 distribution of moneys so received.

22 (vi) Taxing districts formed after January 1, 2001, are not en-
23 titled to a payment under the provisions of this paragraph (c) of
24 this subsection.

25 (vii) For purposes of this paragraph (c) of this subsection, a spe-
26 cial purpose taxing district is any taxing district that is not a
27 city, a county, or a school district.

28 (11) Amounts calculated in accordance with section 2, chapter 356, laws
29 of 2001, for annual distribution to counties and other taxing districts be-
30 ginning in October 2001 for replacement of property tax on farm machinery and
31 equipment exempted pursuant to section 63-602EE, Idaho Code. For nonschool
32 districts, the state tax commission shall distribute one-fourth (1/4) of
33 this amount certified quarterly to each county. For school districts, the
34 state tax commission shall distribute one-fourth (1/4) of the amount certi-
35 fied quarterly to each school district. For nonschool districts, the county
36 auditor shall distribute to each district within thirty (30) calendar days
37 from receipt of moneys from the state tax commission. Moneys received by
38 each taxing district for replacement shall be utilized in the same manner
39 and in the same proportions as revenues from property taxation. The moneys
40 remitted to the county treasurer for replacement of property exempt from
41 taxation pursuant to section 63-602EE, Idaho Code, may be considered by the
42 counties and other taxing districts and budgeted at the same time, in the
43 same manner and in the same year as revenues from taxation on personal prop-
44 erty which these moneys replace. If taxing districts are consolidated, the
45 resulting district is entitled to an amount equal to the sum of the amounts
46 received in the last calendar quarter by each district pursuant to this
47 subsection prior to the consolidation. If a taxing district is dissolved
48 or disincorporated, the state tax commission shall continuously distribute
49 to the board of county commissioners an amount equal to the last quarter's
50 distribution prior to dissolution or disincorporation. The board of county

1 commissioners shall determine any redistribution of moneys so received. If
2 a taxing district annexes territory, the distribution of moneys received
3 pursuant to this subsection shall be unaffected. Taxing districts formed
4 after January 1, 2001, are not entitled to a payment under the provisions
5 of this subsection. School districts shall receive an amount determined by
6 multiplying the sum of the year 2000 school district levy minus .004 times
7 the market value on December 31, 2000, in the district of the property exempt
8 from taxation pursuant to section 63-602EE, Idaho Code, provided that the
9 result of these calculations shall not be less than zero (0). The result of
10 these school district calculations shall be further increased by six per-
11 cent (6%). For purposes of the limitation provided by section 63-802, Idaho
12 Code, moneys received pursuant to this section as property tax replacement
13 for property exempt from taxation pursuant to section 63-602EE, Idaho Code,
14 shall be treated as property tax revenues.

15 (12) Amounts necessary to pay refunds as provided in section 63-3641,
16 Idaho Code, to a developer of a retail complex shall be remitted to the demon-
17 stration pilot project fund created in section 63-3641, Idaho Code.

18 (13) Amounts calculated in accordance with section 63-602KK(4), Idaho
19 Code, for annual distribution to counties and other taxing districts for
20 replacement of property tax on personal property tax exemptions pursuant
21 to section 63-602KK(2), Idaho Code, which amounts are continuously ap-
22 propriated unless the legislature enacts a different appropriation for a
23 particular fiscal year. For purposes of the limitation provided by section
24 63-802, Idaho Code, moneys received pursuant to this section as property tax
25 replacement for property exempt from taxation pursuant to section 63-602KK,
26 Idaho Code, shall be treated as property tax revenues. If taxing districts
27 are consolidated, the resulting district is entitled to an amount equal to
28 the sum of the amounts that were received in the last calendar year by each
29 district pursuant to this subsection prior to the consolidation. If a taxing
30 district or revenue allocation area annexes territory, the distribution of
31 moneys received pursuant to this subsection shall be unaffected. Taxing
32 districts and revenue allocation areas formed after January 1, 2022, are not
33 entitled to a payment under the provisions of this subsection.

34 (14) For fiscal years 2023 and 2024 only, a sum of thirty-four million
35 dollars (\$34,000,000) shall be distributed each year by the state tax com-
36 mission to the forty-four (44) counties in the proportion that the expen-
37 ditures of each county for indigent defense services during county fiscal
38 year 2021, excluding any state funding or grants, bear to the expenditures
39 of all counties in the state for indigent defense services during county fis-
40 cal year 2021, excluding any state funding or grants. No later than July 1,
41 2022, the state public defense commission shall certify to the state tax com-
42 mission each county's proportionate share of all counties' indigent defense
43 expenses in county fiscal year 2021, excluding any state funding or grants.

44 (15) Any moneys remaining over and above those necessary to meet and
45 reserve for payments under other subsections of this section shall be dis-
46 tributed to the general fund.

47 (16) (a) Four and five-tenths percent (4.5%), but not less than eighty
48 million dollars (\$80,000,000), is continuously appropriated and shall
49 be distributed to the transportation expansion and congestion mitiga-
50 tion fund established in section 40-720, Idaho Code.

1 (b) Any portion of the four and five-tenths percent (4.5%) provided for
2 in paragraph (a) of this subsection that exceeds eighty million dollars
3 (\$80,000,000) is continuously appropriated and shall be apportioned
4 to local units of government for local highway projects in the same
5 percentages provided for in section 40-709(1) through (3), Idaho Code.
6 Local units of government may pool funds allocated to them pursuant to
7 this paragraph for local highway projects.

8 (c) The distribution provided for in this subsection must immediately
9 follow the distribution provided for in subsection (10) of this sec-
10 tion.

11 (17) Beginning in fiscal year 2024 and each fiscal year thereafter,
12 three hundred thirty million dollars (\$330,000,000) shall be distributed
13 annually to the public school income fund created in section 33-903, Idaho
14 Code, and eighty million dollars (\$80,000,000) shall be distributed annu-
15 ally to the in-demand careers fund established in section ~~33-4305~~ 72-1206,
16 Idaho Code. The state tax commission shall make such transfers in quarterly
17 installments. The distributions required by this subsection must imme-
18 diately follow the distributions provided for in subsection (16) of this
19 section.

20 SECTION 9. An emergency existing therefor, which emergency is hereby
21 declared to exist, this act shall be in full force and effect on and after
22 July 1, 2023.