MINUTES SENATE EDUCATION COMMITTEE

DATE: Wednesday, February 06, 2013

TIME: 3:00 P.M.

PLACE: Room WW55

MEMBERS Chairman Goedde, Vice Chairman Mortimer, Senators Pearce, Fulcher, Nonini,

PRESENT: Thayn, Patrick, Durst and Buckner-Webb

ABSENT/ EXCUSED:

NOTE: The sign-in sheet, testimonies and other related materials will be retained with

the minutes in the committee's office until the end of the session and will then be

located on file with the minutes in the Legislative Services Library.

CONVENED: Chairman Goedde convened the Education Committee at 3:08 p.m., and a silent

roll was taken.

PRESENTATION: Dr. Mike Rush, Executive Director, Office of the State Board of Education (OSBE),

opened his presentation with background information. The State Board of Education (SBE), was established by the Constitution, and is the policy-making body for all public education in Idaho. It provides general oversight and governance for public K-20 education, including public community colleges. It serves as the governing board for all of the 4-year institutions in the state as well as Eastern Idaho Technical College. The SBE consists of 8 members, 7 appointed by the Governor and confirmed by the Senate and the Superintendent of Public Instruction. The OSBE provides administrative support to the SBE in the areas of governance, oversight, coordination, policy-oriented agendas, strategic planning and performance data.

The SBE has worked diligently over the past ten years to implement a number of policy changes to improve K-12 education. Recently, that reform focus has shifted to improving results in higher education, because studies show that high education has a direct impact on the standard of living for every Idaho citizen. As a result, the SBE has established a goal in which 60 percent of Idaho citizens aged 25-34 will have a least a one year post-secondary credential by year 2020.

This goal is being addressed with the SBE's program called Complete College Idaho. Its focus is on strengthening the "pipeline" so that students are college-ready when they graduate high school. Other areas of focus are increasing dual credit courses, transforming remediation, improving articulation and transfer, rewarding progress and completion and strengthening collaborations between education and business/industry partners.

Mr. Rush explained that the OSBE also manages almost \$8 million in scholarships for Idaho post-secondary students, and more than 8,000 students receive scholarships each year. A new program, Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP), is a federal grant program designed to increase the number of low-income students who are prepared to enter and succeed in post-secondary education. GEAR UP provides students an opportunity to apply for a 4-year renewable scholarship based upon financial need and level of participation in the program. The GEAR UP Program will serve over 5,500 students in Idaho during the life of the grant. **Mr. Rush** closed with a quote from former Representative Maxine Bell: "It's never about the numbers. It's about people and their lives." Mr. Rush's complete presentation is attached and incorporated by reference.

PRESENTATION: David Longanecker, President, Western Interstate Commission for Higher Education (WICHE) explained that his presentation was designed to offer a perspective on "Where is Idaho" in comparsion to other western states, the nation, and the world; and to present policy options that are available to Idaho. When looking at attainment of Associate degrees or higher, the United States ranks 15th in the world. This is not because we are losing ground, but because other countries are catching up and exceeding. And where is Idaho? Idaho currently ranks eighth from the bottom in college education of its young adults. Yet Idaho ranks 16th from the bottom in education of its older population. Post-secondary education speaks to the economy of the state. However, Idaho is unique: it is low in income and education, but the data places it in the middle tier, not the lower tier in personal income and economic strength. New industries that have located in Idaho likely account for the change. Demographics also play a roll, and, again, Idaho is unique. The overall number attaining and Associate's degree or higher is not likely to suffer a downturn over all racial categories. Hispanics obtaining degrees have and will continue to increase from about 11 percent to 17 percent over the next 30 years. Even so, the gap between white and hispanic populations in competitive attainment remains at approximately 25 percent.

> Mr. Longanecker said that in order to reach its education goals, three policies must syncronize: appropriations, tuition and financial aid. Idaho ranks 30th in the country, slightly below average, in appropriations. But the recent recession has hurt. Idaho experienced the 4th largest cuts in per student funding, down 25 percent from 2006-2011. More people sought education (20 percent more) during that time period which resulted in a net appropriations decree of 20 percent per student.

> Tuition fees are the 8th lowest in the nation, nearly \$2,000 per student less than the national average. But that is changing too. Tuition is funding more discretionary revenues, and dependence on net tuition revenue is expected to rise. Idaho ranks 50th in the nation in state supported financial aid.

> In looking to Idaho policy options within this context, Mr. Longanecker advised four areas: data accountability for informed decision-making, improving preparation for college, improving college completion, and improving affordability for those most in need. Idaho now is part of a four-state data exchange program to track students from high school to college and into the workforce. Improving preparation for college can be enhanced by participation in the Common Core State Standards (CCSS) for English and math. Colleges and universities can play a role by accepting Common Core Assessment for placement, by assisting in dual enrollment and remediation in high school, and by preparing teachers for the use of CCSS.

Idaho participates in the Complete College America program. Time is the enemy for students: the longer period of time that students don't go, or don't return to college, the less likely they ever will. Identifying a student plan early, and placing a student on track so that they can envision where their path might lead, enhances the likelihood of college completion. Unfortunately, remediation is a difficult task and needs redesign.

Idaho's best opportunity lies in affordability: consolidate, simplify, target on need where it makes a difference, provide enough to make a difference and provide students with incentives to take higher courses. Research shows that financial aid makes a difference by gaining access and success for low-income students. For middle-income students, aid provides choice, but impacts little on success.

A discussion ensued concerning the dilemma of need- versus merit-based financial aid and how Idaho ranks with neighboring states. Mr. Longanecker described how California and Washington both have strong financial aid programs. New Mexico looks like Idaho, but with a greater need-based population. Oregon tried higher tuition and lower aid, but participation dropped. Traditionally, Idaho has enjoyed low tuition, but it also offers low aid. Mr. Longanecker explained how student loan debt has shifted over time. In 1982, student loan debt was \$1 million; at the present time, student loan debt is approximately \$70 billion. Student loan debt is a reasonable way to pay. The return on investment is high. But if students are allowed to incur more debt than needed, the consequence is a high default rate, especially if the student does not finish college and, therefore, doesn't earn higher income needed to pay the debt. Mr. Longanecker recommended that the state design a policy for managing student loan debt. He also cautioned about trying to orient students to Science, Technology, Engineering and Math programs, which could do damage to our country: there are not great jobs in the humanities and artistic endeavors, but they are important to our country nevertheless.

ADJOURNED:	Having no further business before the committee, Chairman Goedde adjourned the meeting at 4:16 p.m.	
Senator Goedde Chairman		Elaine Leedy Secretary