

MINUTES
HOUSE EDUCATION COMMITTEE

DATE: Tuesday, March 06, 2018

TIME: 8:00 A.M.

PLACE: Room EW41

MEMBERS: Chairman VanOrden, Vice Chairman McDonald, Representatives Shepherd, Boyle, Clow, Mendive, Kerby, Cheatham, Amador, DeMordaunt, Moon, Syme, Ehardt, McCrostie, Toone, Gannon(5)

**ABSENT/
EXCUSED:** None

GUESTS: Julie Custer, Gail Kirkpatrick, Judy Secrist, American Association of University Women- Idaho; Fred Birnbaum, Idaho Freedom Foundation; Matt Freeman, Idaho State Board of Education; Melynda Smyser, Idaho Department of Labor; Rod Gramer, Idaho Business for Education; Marilyn Whitney, Governor's Office; Harold Ott, Idaho Rural Schools Association; Ann Lewis; Dwight Johnson, Idaho Career Technical Engineering; Phil McGrane, Ada County; Kelli D. Brassfield, Idaho Association of Counties; Tim Hurst, Secretary of State; Karen Echeverria, Idaho School Boards Association; Roger Brown, Boise State University; Kent Kunz, Idaho State University; Mark Browning, College of Western Idaho

Chairman VanOrden called the meeting to order at 8:05 a.m.

Janet Gallimore, executive director of the Idaho State Historical Society and Museum, gave a presentation which included a virtual tour of the new First People's Exhibits at the Idaho State Museum. She said the remodel of the museum is expected to be completed at the end of summer. The State Historical Society has collaborated with Idaho Tribes on the First People's Exhibits. Ms. Gallimore said the student participation doubled last year, and the museum provides resources for the National History Day Projects. A Renaissance High School Student, **Josh White**, was named one of the eight nationwide ambassadors, she added.

S 1279: **Marilyn Whitney**, Governor Otter's Office, spoke to **S 1279**. She said it amends the state Advanced Opportunities Scholarship to use a portion of the funding to target adult learners. It is not a new program, and it is not dependent on a new appropriation, she said. The use of "may" instead of "shall" provides flexibility, she added. Ms. Whitney said 27% of Idahoans over the age of twenty-five have taken some college credits. Most scholarships are designed for full-time students, she added, so adult college students are forced to rely on student loans. People reported the reasons they did not complete college was financing and tuition increases, said Ms. Whitney. After the recession, 8.4 million jobs were created for people with degrees, and only 80,000 jobs were created for people with a high school diploma or less.

Rep. Moon expressed concern that a GPA requirement was missing from the eligibility requirements. **Ms. Whitney** said rules would be promulgated next year after getting as much input from the public about what they want to see in the scholarship. In response to questions from the committee, Ms. Whitney said when programs were consolidated in 2012, the legislature asked for them to be reviewed for possible revisions. The task force on higher education has determined that, unless Idaho targets adult learners, it will not meet the 60% Goal, she said. The average GPA of college students who did not complete their degrees was 2.7, she added. In response to questions from the committee, Ms. Whitney said PELL Grants require that the student be a full-time student, taking twelve credits a semester, and they are need-based grants.

Rep. Amador spoke in support of **S 1279**. He said approximately 80% of the population is not seventeen to twenty-one years old, and the adult completer population is needed for Idaho to reach its goal.

Julie Custer, American Association of University Women - Idaho, spoke in support of **S 1279**. She said she advocates increased access to higher education, especially for women in poverty.

Fred Birnbaum, Idaho Freedom Foundation, spoke in opposition to **S 1279**. He said using 20% of funds for adult learners leaves a smaller amount of money for high school seniors, and the existing Advanced Opportunities Scholarship yields unknown results. He said the bill addresses the symptoms, not the cause, and he suggested understanding the cause of students not completing college first. Tuition rose 3.17% the last two years, he added, and tuition rose faster than inflation. In response to questions from the committee, Mr. Birnbaum said the people working at minimum wage in Idaho is actually very low. In the 1970's over 90% of the per capita income in Idaho was resource based, he said, and the decline in the resource-based economy has created a split between the urban areas of Idaho and the rural areas of Idaho. **S 1279** will not help the rural areas, which already have low employment, he added.

In response to questions from the committee, **Mr. Birnbaum** said there is no demonstrable evidence the Advanced Opportunities Scholarship will work. He said he is not in favor of expanding the program without demonstrable growth, and the companion legislation to **S 1279** seeks to expand the program.

Matt Freeman, State Board of Education, spoke in support of **S 1279**. He said the majority of college students are no longer in the eighteen to twenty-one year age range, and the average age is twenty-nine years old. Most of them work either part time or full time, he added, and the state needs more of them to go back to college and succeed. Mr. Freeman said **S 1279** will help Idaho address the skills gap. The Advanced Opportunity Scholarships increase attendance by 9% and increase completion, he added. There will be less money for high school students, but adult learners are Idahoans too, he added. In response to questions from the committee, Mr. Freeman said adult completers have at least twenty-four credit hours. The Advanced Opportunity Scholarships for adult completers will be a last dollar scholarship, said Mr. Freeman, to cover any gap in federal financial aid and the cost of tuition. This applies to the current Opportunity Scholarship too, he added.

In response to questions from the committee, **Tracie Bent** said loans are not included in the definition of financial aid, only grants and scholarships. In response to questions from the committee, **Mr. Freeman** said Advanced Opportunities Scholarships may be used for any undergraduate degree or education, including associate degrees and CTE certificates. The definition of a part-time student is six credits per semester, and a full-time student is twelve credits per semester, said Mr. Freeman. Ms. Bent said the Board would like to propose this population be working with an advisor on an individual plan, so progress is based on the plan. In response to questions from the committee, Ms. Bent said the criteria for receiving the scholarship would need to be amended for this population of learners. A grade and credit requirement already exists in administrative rule for traditional students. Including priority occupations as part of the criteria for the scholarships will be determined in administrative rule, said Ms. Bent. The Board knows this is a priority of the committee, she added.

In response to questions from the committee, **Mr. Freeman** said the Board currently has 1.5 full-time employees working on the Advanced Opportunities Scholarship. **S 1279** will not require additional staff, he said. In response to questions from the committee, Mr. Freeman said it is possible to include a provision for repayment of scholarship money if a student fails to attain the required credits or GPA. When Idaho offered student loan repayment for teachers and nurses working in rural areas, the program stipulated the recipients had to work for two years in those fields to apply for the repayment, and they had to continue in those lines of work or pay back the state. In response to questions from the committee, Mr. Freeman said those programs were for traditional students versus adult learners. In the current scholarship criteria, those not achieving academic progress are no longer eligible for the scholarship, said Mr. Freeman. He said he assumes similar criteria will be in place for the adult students.

Melynda Smyser, Director of the Department of Labor, spoke **in support** of **S 1279**. She said Idaho has the lowest unemployment rate it has had in many years, and it is below the national unemployment rate. Most of the jobs in Idaho require post-secondary education of some type, she said. **S 1279** will help those students who have already paid for part of their degrees achieve jobs which have better pay, and will encourage them to stay in Idaho, said Ms. Smyser. She said 24,000 jobs go unfilled in Idaho because employees do not have the skills for them, and **S 1279** diverts a small amount of funding for this demographic. In response to questions from the committee, Ms. Smyser said all 24,000 jobs will not be filled, even with the number of adult completers in Idaho.

Rod Gramer, Idaho Business for Education, spoke **in support** of **S 1279**. He said Idaho needs 60-80% of the workers to have a post-secondary education. Idaho has the fifth lowest educated workforce in the United States, and the skill gap will double by 2024, he said. Idaho will not achieve its 60% goal without offering incentives for adults to complete their education.

Dwight Johnson, Idaho Career and Technical Education, spoke **in support** of **S 1279**. He said adding adult completers to the Advanced Opportunity Scholarship Program will have a significant positive impact, and CTE short-term training programs are ideal to help students complete their post-secondary education.

Roger Brown, Boise State University, spoke **in support** of **S 1279**. He said the university has thirty-five programs which are completely online programs, and the university has heard that financial matters dictate students' choice to terminate their post-secondary education.

Kent Kunz, Idaho State University, spoke **in support** of **S 1279**. He said a survey done by the university found 63% of students did not finish their education, and most cited financial considerations. The GPA of students who did not finish college were 2.5 for sophomores, 2.7 for juniors, and 2.75 for seniors, he said. Every student in the higher education system is an investment, he said. The number of students who did not complete their education at ISU from 2010 to 2015 was 4,910, he added.

Mark Browning, College of Western Idaho, spoke **in support** of **S 1279**. He said institutions can handle large numbers of adult completers through online college classes, and night and weekend programs. The college has over 6,200 students enrolled in its online programs, he added.

Marilyn Whitney spoke **in support** of **S 1279**. She said employees with a high school degree earn an average of \$26,000, and employees with a bachelor's degree earn an average of \$42,600. She said there has been a dramatic shift in how post-secondary institutions are funded. Since the recession, there has been a decline in state support, and tuition accounts for 46% of the funding, she added. **S 1279** is a targeted investment in Idahoans with a significant return, she added.

MOTION: **Rep. McDonald** made a motion to send **S 1279** to the floor with a **DO PASS** recommendation.

In response to questions from the committee, **Ms. Whitney** said the amount of colleges' funding from tuition and fees was seven percent in 1980.

Rep. Clow spoke **in support** of the motion. He said the scholarships are competitive scholarships, so setting a minimum GPA does not matter. Idaho is at a point in the economy, with low unemployment, when it should take advantage of the good economy to achieve positive results for Idahoans, he added.

Rep. Amador spoke **in support** of the motion. He said **S 1279** allows the state to support all Idahoans.

SUBSTITUTE MOTION: **Rep. Ehardt** made a substitute motion to **HOLD S 1279** to time certain, March 9, 2018.

Rep. Moon spoke **in support** of the substitute motion. She said there were some unanswered questions in **S 1279**, and there would be less money for high school students. The state has invested \$8 million over ten years to increase the number of Idahoans with post-secondary education, and it has not succeeded, she said. Rep. Moon said she thought the problem is the college costs are too expensive.

Rep. Kerby spoke **in opposition** of the substitute motion. He said the work experience this population has gained may be used to earn more credits.

Rep. Gannon spoke **in support** of the original motion, citing her experience as an adult learner.

Rep. McCrostie spoke **in opposition** of the substitute motion. He said he supports the original motion, and he thinks **S 1279** is a step in the right direction to reach the 60% goal.

Rep. DeMordaunt spoke **in support** of the substitute motion, saying **S 1279** should not rely on administrative rules to align scholarships with the workforce needs, and she would rather see something more specific to address the market demands.

VOTE ON SUBSTITUTE MOTION: Roll call vote was requested. **Substitute Motion failed by a vote of 8 AYE, 8 NAY.** **Voting in favor** of the motion: **Reps. Shepherd, Boyle, Mendive, Cheatham, DeMordaunt, Moon, Ehardt, VanOrden.** **Voting in opposition** to the motion: **Reps. McDonald, Clow, Kerby, Amador, Syme, McCrostie, Toone, Gannon (5).**

**VOTE ON
MOTION:**

Roll call vote was requested. **Original Motion carried by a vote of 9 AYE, 7 NAY.**
Voting in favor of the motion: **Reps. McDonald, Clow, Kerby, Amador, Syme, McCrostie, Toone, Gannon (5), VanOrden.** **Voting in opposition** to the motion: **Reps. Shepherd, Boyle, Mendive, Cheatham, DeMordaunt, Moon, Ehardt.**
Rep. McDonald will sponsor the bill on the floor.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 9:54 a.m.

Representative VanOrden
Chair

Jenifer Cavaness-Williams
Secretary