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IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 741

	BY WAYS AND MEANS COMMITTEE
1	AN ACT
2	RELATING TO THE IDAHO LAUNCH GRANT PROGRAM; AMENDING SECTION 72-1204, IDAHO
3	CODE, TO DEFINE A TERM AND TO REVISE DEFINITIONS; AMENDING SECTION
4	72-1205, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE IDAHO LAUNCH
5	GRANT PROGRAM AND THE PRIORITIZATION OF GRANT AWARDS; AMENDING SECTION
5	72-1206, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE IN-DEMAND CA-
7	REERS FUND; AMENDING SECTION 33-4602, IDAHO CODE, TO REMOVE A PROVISION
3	REGARDING THE TRANSFER OF CERTAIN FUNDS TO THE IN-DEMAND CAREERS FUND;
9	AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.
10	Be It Enacted by the Legislature of the State of Idaho:
11	SECTION 1. That Section 72-1204, Idaho Code, be, and the same is hereby
12	amended to read as follows:
13	72-1204. IDAHO LAUNCH GRANT PROGRAM AND IN-DEMAND CAREERS FUND DEF-
14	INITIONS. (1) As used in this section through section 72-1206, Idaho Code:
15	(a) "Board" means the state board of education.
16	(b) "Council" means the workforce development council established in
17	this chapter.
18	(c) "Eligible adult learner" means an Idaho resident who is pursuing
10	education or training for an in-demand career

- education or training for an in-demand career.
- (d) "Eligible coursework" means courses or training necessary for the completion of a participant's declared in-demand career.
- (d) (e) "Eligible education expenses" means student tuition and fees at an eligible institution for eligible coursework; however, in no case shall the council reimburse more than eighty percent (80%) of a program's total tuition and fees or more than eight thousand dollars (\$8,000), whichever is less.
- (e) (f) "Eligible institution" means a training provider as recognized by the council under the workforce innovation and opportunity act or the workforce development training fund. Eligible institution also means a board of trustees of a community college established pursuant to the provisions of chapter 21, title 33, Idaho Code.
- (f) (g) "Eligible student" means a student who:
 - (i) Is an Idaho resident;
 - (ii) Will graduate from an accredited high school or its equivalent in Idaho as determined by the board beginning with the spring 2024 graduating class;
 - (iii) Has enrolled in or applied to an eligible institution and begins enrollment in the fall semester following graduation, unless the council grants an extension for extenuating circumstances such as those outlined in section 72-1205, Idaho Code; and (iv) Has used next steps Idaho or an equivalent career exploration program accepted by the council and has completed a career pathway

 plan that meets the minimum requirements established by the council.

- $\frac{\text{(g)}}{\text{(h)}}$ "Grant" means an amount to be determined by the council that shall not exceed eight thousand dollars (\$8,000) per eligible student.
- (h) (i) "Grant distribution platform" means a digital platform through which grant funds are transferred from the council to the account of a participant to be used for eligible education expenses.
- (i) "In-demand careers" means careers that have a high number of openings in Idaho or an expected high rate of growth in Idaho. In-demand careers are to be determined annually by the council based on job market data and shall be submitted annually in a report to the legislature by January 1.
- (j) "In-demand careers" means careers that have a positive economic output for the state of Idaho and increase economic mobility for the people of Idaho. Factors including but not limited to the number of job openings, the rate of job growth, and the length of the training program shall be incorporated to create a matrix of careers and training programs that align to in-demand careers. Careers that require a postbaccalaureate degree for entry into the profession shall not be included in the matrix or as an in-demand career.
- $\frac{\text{(j)}}{\text{(k)}}$ "Participant" means an Idaho resident for whom a grant is awarded under section 72-1205, Idaho Code, and who has met the minimum academic standards of, and has been accepted into, an eligible institution.
- $\frac{(k)}{(1)}$ "Program" means the Idaho launch grant program established by section 72-1205, Idaho Code.
- $\frac{\text{(1)}}{\text{(m)}}$ "Resident" means an individual meeting legal residency requirements as defined in section 33-3717B, Idaho Code.
- (2) The provisions of this section shall be null, void, and of no force and effect on and after July 1, 2029.
- SECTION 2. That Section 72-1205, Idaho Code, be, and the same is hereby amended to read as follows:
- 72-1205. IDAHO LAUNCH GRANT PROGRAM. (1) There is hereby established the Idaho launch grant program to be administered by the council according to the provisions of this section. The purpose of the program is to provide education grants for eligible students.
- (2) In order to administer the program, the council shall consult with necessary agencies to:
 - (a) Create and administer, or designate a third party to create and administer, a grant distribution platform;
 - (b) Establish a grant application process for eligible students. To ensure eligible students receive notification prior to postsecondary institution enrollment deadlines, the council may stagger applications so that initial grant awards are announced by December 31 in the year preceding an eligible student's graduation from high school and that additional grant awards be made no later than June ± 30 of the academic year the eligible student graduates from high school. Additional grant award announcements may be made after such date based on the availability of funds;

- (c) Award grants to eligible students, subject to legislative appropriation and to the following conditions, beginning with the graduating class of 2025:
 - (i) If eligible student applications exceed available funding in a fiscal year, grant awards shall be prioritized first based on the pursuit of \underline{an} in-demand careers. \underline{and} based on the highest rankings \underline{in} the matrix established pursuant to section 72-1204(j), Idaho Code;
 - (ii) If additional funds remain, prioritization shall then be based on an eligible student's financial need as verified by the Idaho state tax commission using the prior year's tax return, most recent income documents, or other criteria determined by the workforce development council established in this chapter; and
 - (ii) (iii) If available funding in a fiscal year exceeds eligible students, any unused appropriations may be used in accordance with section 72-1206(4), Idaho Code; and
- (d) Take other such actions as are necessary to implement and enforce the provisions of this section.
- (3) Participants must expend all grant funds within three (3) years of the award date. Any remaining funds after a break in enrollment exceeding six (6) months or unused funds at the end of the three (3) year period shall revert to the in-demand careers fund established in section 72-1206, Idaho Code. The council or its designated staff may grant an extension or exception by demonstrating to the council an extenuating circumstance, including but not limited to religious service, military service, structured volunteer service, or health or medical issues.
- (4) No more than one half (1/2) of the initial grant award may be expended by a participant in any academic year; provided, however, that this subsection shall not apply:
 - (a) To a participant in a program that is less than twelve (12) months in length; or
 - (b) In other extenuating circumstances as determined by the council.
 - (5) Grant awards shall be capped at one (1) grant per eligible student.
- (6) The council shall adopt policies outlining triggering events that may lead to earlier reversion of student grants or repayment grants, including but not limited to unsatisfactory academic progress, expulsion, or transfer to an out-of-state program prior to attainment of a credential or degree. Any reverted or repaid grants shall be paid to the in-demand careers fund established in section 72-1206, Idaho Code.
- (7) The provisions of this section shall be null, void, and of no force and effect on and after July 1, 2029.
- SECTION 3. That Section 72-1206, Idaho Code, be, and the same is hereby amended to read as follows:
- 72-1206. IN-DEMAND CAREERS FUND. (1) There is hereby established in the state treasury the in-demand careers fund.
- (2) Moneys in the in-demand careers fund are subject to legislative appropriation and shall consist of the following:
 - (a) Legislative appropriations;
 - (b) Donations and contributions made to the fund;

(c) Interest earned on idle moneys in the fund;

- (d) Moneys transferred pursuant to section 63-3638(17), Idaho Code; and
- (e) Moneys reverted or repaid to the fund pursuant to section 72-1205, Idaho Code; and.
- (f) Moneys transferred pursuant to section 33-4602(14), Idaho Code.
- (3) The in-demand careers fund shall be used to award grants as outlined in section 72-1205, Idaho Code.
- (4) When the available appropriation in a fiscal year exceeds participants, the council may use excess moneys as follows:
 - (a) Up to ten million dollars (\$10,000,000) of the remaining appropriation may be used to provide enhanced grant funding to either eligible students or eligible adult learners based upon the following conditions:
 - (i) If potential awards from the council exceed available funding from the enhanced grants, awards shall be prioritized first based on the pursuit of in-demand careers; and
 - (ii) If, following the prioritization provided for in subparagraph (i) of this paragraph, additional moneys remain for awards, prioritization shall then be based on financial need.
 - (b) The remaining appropriation shall be retained in the fund and be subject to legislative appropriation in subsequent legislative sessions for the purposes of expanding in-demand career training opportunities.
- (5) By January 1 each year, the council shall report sufficient data to the legislature regarding:
 - (a) The number and demographics of eligible students applying for grants;
 - (b) The number and type of eligible institutions approved by the council;
 - (c) The list <u>and matrix</u> of in-demand careers prioritized by the <u>council</u> <u>matrix</u> and <u>verified</u> by the <u>council</u> <u>pursuant</u> to <u>section</u> 72-1204(j), Idaho Code;
 - (d) The number of grants awarded, the number of grants reverted, and demographics of participants; and
 - (e) Data to demonstrate the effectiveness of the program, including but not limited to program completion rates, satisfactory academic progress, job placement rates, and retention rates of participants in Idaho upon program completion.
- SECTION 4. 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, postsecondary credit-bearing examinations, career technical certificate examinations, career technical education workforce training courses, college entrance examinations, and preliminary college entrance 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. To qualify as an eligible overload course for the program, the course must:
 - (i) Be offered by a provider accredited by the organization that accredits Idaho public schools; and
 - (ii) Be taught by an individual certified to teach the grade and subject area of the course in Idaho.
- (b) Eligible dual credits, the distribution of which may not exceed seventy-five dollars (\$75.00) per one (1) dual credit hour. Dual credit courses must be offered by a regionally accredited postsecondary institution. To qualify as an eligible dual credit course, the course must be a credit-bearing 100 level course or higher.
- (c) Eligible postsecondary credit-bearing or career technical certificate examinations. The state department of education shall maintain a list of eligible exams and costs. Eligible costs include the cost of the examination, proctor fees, and administrative fees. Eligible examinations include:
 - (i) Advanced placement (AP);

- (ii) International baccalaureate (IB);
- (iii) College-level examination program (CLEP); and
- (iv) Career technical education examinations that lead to an industry-recognized certificate, license, or degree.
- (d) CTE workforce training courses, such as federally registered apprenticeships, the distribution of which may not exceed five hundred dollars (\$500) per course and one thousand dollars (\$1,000) per year. The state department of education shall collaborate with the division of career technical education to maintain a list of eligible training courses and costs. Eligible training courses must:
 - (i) Be provided by an Idaho public technical college;
 - (ii) Lead to an industry-recognized certificate, license, or degree;
 - (iii) Be required training for occupations deemed regionally in demand;
 - (iv) Be courses that are not otherwise available at the student's high school; and
 - (v) Allow high school-aged students to participate.
- (e) College entrance examinations and preliminary college entrance examinations. The state department of education shall maintain a list of eligible examinations and costs, provided that a student may not use funds provided under this section to take the same examination more than once. Eligible costs include the cost of the examination, proctor fees, and administrative fees. Eligible examinations include the SAT, the PSAT, the ACT, and other similar examinations identified by the department.
- (2) A student who has earned fifteen (15) postsecondary credits using the advanced opportunities program and who wishes to earn additional cred-

its must first identify his postsecondary goals. Advisors shall counsel any student who wishes to take dual credit courses that the student should ascertain for himself whether the particular postsecondary institution that he desires to attend will accept the transfer of coursework credits under this section.

- (3) These moneys may be used to pay an amount not to exceed the price to the student of such courses and examinations pursuant to the limitations stated in this section. These moneys shall not supplant existing program funds. Payments made under this section shall be made from the moneys appropriated for the educational support program. No later than January 15, the state department of education shall annually report to the education committees of the senate and the house of representatives details regarding the number of students benefiting from assistance with the cost of overload courses, dual credit courses and examinations, the number of credits awarded and amounts paid pursuant to this section during the previous school year.
- (4) The board of each public school may set forth criteria by which a student may challenge a course. If a student successfully meets the criteria set forth by the board of the public school, then the student shall be counted as having completed all required coursework for that course. The public school, with the exception of Idaho tribal schools, shall be funded for such students based upon either actual hours of attendance or the course that the student has successfully passed, whichever is more advantageous to the public school, up to the maximum of one (1) full-time student.
- (5) Any student who successfully completes public school grades 1 through 12 curriculum at least one (1) year early shall be eligible for an advanced opportunities scholarship. The scholarship may be used for tuition and fees at any Idaho public postsecondary educational institution. The amount of the scholarship shall equal thirty-five percent (35%) of the statewide average daily attendance-driven funding per enrolled pupil for each year of grades 1 through 12 curriculum avoided by the student's early graduation. Each public school shall receive an amount equal to each such awarded scholarship for each student that graduates early from that public school. Students must apply for the scholarship within two (2) years of graduating from a public school.
- (6) The state department of education shall reimburse public schools or public postsecondary educational institutions, as applicable, for such costs, up to the stated limits, within one hundred twenty-five (125) days of receiving the necessary data upon which reimbursements may be paid. The submission method and timelines of reimbursement data shall be determined by the state department of education. Payments will be made only for activity occurring and reported within each fiscal year.
- (7) For public funding purposes, average daily attendance shall be counted as normal for students participating in dual credit courses pursuant to this section.
- (8) If a student fails to earn credit or successfully complete a course for which the department has paid a reimbursement, the student must pay for and successfully earn credit or complete one (1) like course before the state department of education may pay any further reimbursements for the student. If a student performs inadequately on an examination for which the state department of education has paid a reimbursement, the public school shall de-

termine whether the student must pay for and successfully pass such examination to continue receiving state funding. Repeated and remedial courses or examinations are not eligible for funding through these programs.

- (9) The state department of education shall reimburse community colleges or counties, as applicable, for any out-of-district county tuition pursuant to section 33-2110A, Idaho Code. Such reimbursements shall be in an amount not to exceed fifty dollars (\$50.00) per credit hour and only for dual credit courses taken pursuant to this section.
- (10) Public schools shall establish timelines and requirements for participation in the program, including implementing procedures for the appropriate transcription of credits, reporting of program participation and financial transaction requirements. Public schools shall make reasonable efforts to ensure that any student who considers participating in the program also considers the challenges and time necessary to succeed in the program, and schools shall make reasonable efforts to include guidance on how the student's participation in the program contributes to prospective college and career pathways. Such efforts by the district shall be performed prior to a student participating in the program and throughout the student's involvement in the program.
- (11) Policies and procedures for participating in the program established by the public school must be such that students have an opportunity to participate in the program and meet district-established timelines and requirements for financial transactions, transcribing credits and state department of education reporting. Participation in this program requires parent and student agreement to program requirements and completion of the state department of education's participation form documenting the program requirements.
- (12) Parents of participating students may enroll their child in any eligible course, with or without the permission of the public school in which the student is enrolled. Tribal school students must follow their schools' enrollment policies and procedures. Public school personnel shall assist parents in the process of enrolling students in such courses. Each participating student's high school transcript at the public school at which the student is enrolled shall include the credits earned and grades received by the student for any overload or dual credit courses taken pursuant to this section. For an eligible course to be transcribed as meeting the requirements of a core subject as identified in administrative rule, the course must meet the approved content standards for the applicable subject and grade level.
- (13) Participating public schools shall collaborate with Idaho public postsecondary educational institutions to assist students who seek to participate in dual credit courses or graduate from high school early by enrolling in postsecondary courses. Participating school districts, charter schools and Idaho public postsecondary educational institutions shall report to the state board of education and the education committees of the senate and the house of representatives any difficulties or obstacles they experience in providing assistance to participating students.
- (14) If actual expenditures for the program pursuant to this section are less than the appropriation for the year, excess funds shall be transferred

to the in-demand careers fund established in section 72-1206, Idaho Code, to further workforce training for in-demand careers.

 $\frac{(15)}{(14)}$ The state board of education may promulgate rules to implement the provisions of this chapter.

SECTION 5. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after July 1, 2024.