

Dear Senators Lent, Cook, Ward-Engelking, and
Representatives Pickett, Hawkins, Mathias:

The Legislative Services Office, Research and Legislation, has received the enclosed rules of the
State Board of and State Department of Education:

IDAPA 08.06.03 - Rules Governing Thoroughness - Temporary and Proposed Rule (Docket No.
08-0203-2603).

Pursuant to Section 67-454, Idaho Code, a meeting on the enclosed rules may be called by the
cochairmen or by two (2) or more members of the subcommittee giving oral or written notice to Research
and Legislation no later than fourteen (14) days after receipt of the rules' analysis from Legislative
Services. The final date to call a meeting on the enclosed rules is no later than 10/19/2026. If a meeting is
called, the subcommittee must hold the meeting within forty-two (42) days of receipt of the rules' analysis
from Legislative Services. The final date to hold a meeting on the enclosed rules is 11/16/2026.

The germane joint subcommittee may request a statement of economic impact with respect to a
proposed rule by notifying Research and Legislation. There is no time limit on requesting this statement,
and it may be requested whether or not a meeting on the proposed rule is called or after a meeting has
been held.

To notify Research and Legislation, call 334-4854, or send a written request to the address on the
memorandum attached below.



Terri Kondeff
Director

Legislative Services Office

Idaho State Legislature

Serving Idaho's Citizen Legislature

MEMORANDUM

TO: Rules Review Subcommittee of the Senate Education Committee and the House Education Committee
FROM: Legislative Drafting Attorney - Monica Harrington
DATE: October 2, 2026
SUBJECT: State Board of and State Department of Education

IDAPA 08.06.03 - Rules Governing Thoroughness - Temporary and Proposed Rule (Docket No. 08-0203-2603)

Summary and Stated Reasons for the Rule

The State Board of Education submits notice of proposed rulemaking at IDAPA 08.06.03 - Rules Governing Thoroughness - Temporary and Proposed Rule (Docket No. 08-0203-2603). The State Board of Education states that the temporary and proposed rule is needed to implement the provisions of House Bill 624 (2026) regarding requirements related to the oversight of supplemental learning funds for virtual schools. The Board states that the rule establishes a framework for determining eligible educational expenses to support student participation in virtual instruction. The Board states that the rule defines eligibility standards aligned to Idaho content standards, identifies categories of allowable educational expenses, and establishes limitations on non-allowable uses. The Board states that the rule also clarifies processes for virtual schools, including processes for direct payment to vendors, determination of eligible expenses, and expectations for documentation and oversight.

Negotiated Rulemaking / Fiscal Impact

The State Board of Education states that negotiated rulemaking was not conducted and that a Notice of Intent to Promulgate Rules for Negotiated Rulemaking was not published. The Board states that it engaged in informal stakeholder outreach during development of the rule and that a public stakeholder meeting was held on June 9, 2026, to solicit feedback on the draft rule. The Board states that written comments were also accepted as part of the rulemaking process. There is no anticipated fiscal impact associated with this proposed rule.

Statutory Authority

The proposed rule appears to be within the statutory authority granted to the State Board of Education pursuant to Sections 33-116, 33-118, 33-1612, 33-1619, 33-5202A, and 33-5206, Idaho Code.

cc: State Board of and State Department of Education
Nicholas Wagner

Paul Headlee, Deputy Director Legislative Services Office	Matt Drake, Manager Research & Legislation	Keith Bybee, Manager Budget & Policy Analysis	April Renfro, Manager Legislative Audits	Norma Clark, Manager Information Technology
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Statehouse, P.O. Box 83720
Boise, Idaho 83720-0054

Tel: 208-334-2475
legislature.idaho.gov

***** PLEASE NOTE *****

Per the Idaho Constitution, all administrative rules may be reviewed by the Legislature during the next legislative session. The Legislature has 3 options with this rulemaking docket: **1)** Approve the docket in its entirety; **2)** Reject the docket in its entirety; or **3)** Reject the docket in part.

IDAPA 08 – STATE BOARD OF EDUCATION

08.02.03 – RULES GOVERNING THOROUGHNESS

DOCKET NO. 08-0203-2603

NOTICE OF RULEMAKING – TEMPORARY AND PROPOSED RULE

GOVERNOR’S STATEMENT: An earlier effective date prior to legislative review is required in accordance with the provisions of Idaho Code Section [67-5226\(2\)\(b\)](#) because it is necessary to comply with governing law.

EFFECTIVE DATE: The effective date of the temporary rule is August 5, 2026.

AUTHORITY: In compliance with Idaho Code Sections [67-5221\(1\)](#) and [67-5226](#) notice is hereby given that this agency has adopted a temporary rule and proposed regular rulemaking procedures have been initiated. The action is authorized pursuant to Idaho Code Sections [33-116](#), [33-118](#), [33-1612](#), [33-1619](#), [33-5202A](#), and [33-5206](#).

PUBLIC HEARING SCHEDULE: Public hearing concerning this rulemaking will be held as follows:

Tuesday, October 20, 2026 9:00 a.m. (MT)
In Person: 650 W State St. Boise, ID 83702 3rd Floor, OSBE Conference Room Zoom: https://us02web.zoom.us/j/84706719357 Meeting ID: 847 0671 9357

The hearing site(s) will be accessible to persons with disabilities. Requests for accommodation must be made not later than five (5) days prior to the hearing, to the agency address below.

DESCRIPTIVE SUMMARY: The following is the required finding and concise statement of its supporting reasons for adopting a temporary rule and a nontechnical explanation of the substance and purpose of the proposed rulemaking:

The State Board of Education is adopting a temporary and proposed rule to implement [House Bill 624](#) (2026), which establishes requirements related to the oversight of supplemental learning funds for virtual schools.

The rule establishes a framework for determining eligible educational expenses to support student participation in virtual instruction. It defines eligibility standards aligned to Idaho content standards, identifies categories of allowable educational expenses, and establishes limitations on non-allowable uses.

The rule also clarifies processes for virtual schools, including direct payment to vendors, the determination of eligible expenses, and expectations for documentation and oversight.

As a temporary rule, this action provides immediate guidance and consistency for implementation while allowing for additional refinement through the rulemaking process.

FISCAL IMPACT: The following is a specific description, if applicable, of any negative fiscal impact on the state general fund greater than ten thousand dollars (\$10,000) during the fiscal year: NA.

NEGOTIATED RULEMAKING: Pursuant to Idaho Code Section [67-5220\(1\)](#), negotiated rulemaking was not formally conducted, and a Notice of Intent to Promulgate Rules for negotiated rulemaking was not published.

However, the State Board of Education engaged in informal stakeholder outreach during development of the rule. A public stakeholder meeting was held on June 9, 2026, to solicit feedback on the draft rule, and written comments were accepted as part of the rulemaking process.

INCORPORATION BY REFERENCE: Pursuant to Idaho Code Section [67-5229\(2\)\(a\)](#) the following is a brief synopsis of why the materials cited are being incorporated by reference into this rule: NA.

ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS: For assistance on technical questions concerning the temporary and proposed rule, contact Nicholas Wagner at rules@edu.idaho.gov, 208-488-7586.

Anyone may submit written comments regarding this proposed rulemaking. All written comments must be directed to the undersigned and must be delivered on or before October 28, 2026.

DATED this 5th day of August, 2026.

Nicholas Wagner
Agency Rules Coordinator, Idaho State Board of Education
650 W State St., PO Box 83720, Boise, ID 83720-0037
Phone: (208)488-7586; Fax: (208)334-2632

**THE FOLLOWING IS THE TEMPORARY RULE AND THE PROPOSED TEXT
OF DOCKET NO. 08-0203-2603
(Only Those Sections With Amendments Are Shown.)**

08.02.03 – RULES GOVERNING THOROUGHNESS

000. LEGAL AUTHORITY.

Article IX, Section 2 of the Idaho Constitution and Sections [33-116](#), [33-118](#), ~~and [33-1612](#)~~, [33-1619](#), [33-5202A](#), and [33-5206](#) Idaho Code. ~~(7-1-26)~~[\(8-5-26\)T](#)

(BREAK IN CONTINUITY OF SECTIONS)

129. SUPPLEMENTAL LEARNING FUNDS: ELIGIBLE EDUCATIONAL EXPENSES FOR VIRTUAL SCHOOLS.

01. Purpose. The purpose of this rule is to establish uniform criteria for virtual schools to utilize supplemental learning funds for eligible educational expenses, as needed by public school students to engage with the virtual school, including general and elective online courses, and in alignment with Idaho content standards and appropriate use of public funds. ~~(8-5-26)T~~

02. Definitions. For purposes of this section, “supplemental learning funds” and “eligible educational expenses” use the definitions provided in Section 33-5206(8)(m), Idaho Code. ~~(8-5-26)T~~

a. Instructional materials. Items necessary for the delivery and assessment of instruction, including

but not limited to curricular materials as defined in Section 33-188A, Idaho Code, consumable materials, manipulatives, and portable instructional equipment. (8-5-26)T

b. Technological equipment and services. Hardware, software, digital tools, connectivity and related services that are primarily used to access, participate in, support, deliver, or complete virtual education. (8-5-26)T

c. Accessibility resources. Any item or service needed to address accommodations outlined in a student's individual educational program or Section 504 plan, including but not limited to equipment, technology, and therapies provided by a licensed therapist, beyond what is outlined in the student's individual education program or Section 504 plan. (8-5-26)T

d. Direct payment. Payment made directly from a virtual school to a vendor to cover the cost of an educational expense related to an online course previously deemed eligible by meeting the requirements set forth in this rule. (8-5-26)T

e. Vendor. A business registered with the Idaho Secretary of State or having a federal EIN number that provides an item or service. The parent or guardian of the student for whom supplemental funds are used is prohibited from acting as a vendor for purposes of this rule. (8-5-26)T

f. Online course. A course of study delivered through virtual instruction, as defined in Section 33-1612(1)(c), Idaho Code, for which a student may earn credit and for which an individual certified to teach in Idaho and endorsed in the relevant content area oversees student progress and determines successful course completion. (8-5-26)T

g. Home district. The traditional, public school district a student is assigned to based on their address. (8-5-26)T

03. General Eligibility Standard. (8-5-26)T

a. Required for Online Course Participation. Expenses for online courses are eligible for purchase by virtual schools if: (8-5-26)T

i. The course is aligned to Idaho content standards; or (8-5-26)T

ii. Is necessary for the student to receive educational instruction in an online course; or (8-5-26)T

iii. Provides an accommodation or support based on an established individual education program or Section 504 plan beyond the minimum provision required of the school under the Individuals with Disabilities Education Act (IDEA). (8-5-26)T

iv. An expense that has qualified based on Subsection 03.a.i. or 03.a.ii. or 03.a.iii. must also be: (8-5-26)T

(1) Fully covered by direct payment to a vendor or reimbursement for internet access; and (8-5-26)T

(2) Reasonably necessary and proportionate to the educational objectives. (8-5-26)T

b. Burden of Determination. Prior to direct payment of a requested item or service or reimbursement for internet access, the virtual school shall determine that each requested item meets the criteria in Subsection 129.03. (8-5-26)T

04. Eligible Educational Expenses. Each of the following requested items or services are eligible educational expenses if the criteria outlined in Subsection 129.03 has been met. (8-5-26)T

a. Instructional Materials, including but not limited to: (8-5-26)T

i. Curricular materials as defined in Section 33-118A, Idaho Code. (8-5-26)T

- ii. Textbooks; (8-5-26)T
- iii. Art supplies (e.g., paper, paint, drawing materials); (8-5-26)T
- iv. Basic laboratory science or project supplies. (8-5-26)T
- b. Portable Instructional Equipment, including but not limited to:** (8-5-26)T
 - i. Physical education equipment (e.g., jump ropes, resistance bands, balls); (8-5-26)T
 - ii. Entry-level musical instruments; (8-5-26)T
 - iii. Robotics or microcontroller kits used in computer science coursework. (8-5-26)T
- c. Technological equipment and services, including but not limited to:** (8-5-26)T
 - i. Laptop computers, printers, headphones, or other hardware as required for participation in virtual instruction or completion of assignments. (8-5-26)T
 - ii. Educational software, applications, or online educational program subscriptions or licenses with a user limit aligned to the number of enrolled students. (8-5-26)T
 - iii. Monthly fees to an internet service provider and/or purchase or rental of a modem, router, hotspot device, or Wi-Fi extender. (8-5-26)T
- d. Fees for national standardized assessments: SAT, ACT, AP, IB, and industry-recognized certification exams.** (8-5-26)T
- e. Accessibility resources and the following therapies if not provided by the school through an individual education program or 504 plan.** (8-5-26)T
 - i. Speech / language therapy. (8-5-26)T
 - ii. Occupational therapy. (8-5-26)T
 - iii. Physical therapy. (8-5-26)T
 - iv. Vision therapy. (8-5-26)T
 - v. Audiology services. (8-5-26)T
- f. Expanded Learning Opportunities.** (8-5-26)T
 - i. Elective course expenses where the topic is aligned to elective courses offered by the student's home district or as listed in Subsection 129.05. (8-5-26)T
 - ii. Field trip costs to a government owned or managed museum, historical site, or facility provided that the visit can be tied directly to grade-specific content standards. Field trip costs paid directly by the virtual school may not exceed the costs of the students enrolled in the grade level that satisfies the content standards eligibility requirement. (8-5-26)T
- 05. Subject-Specific Application.** (8-5-26)T
 - a. Career-technical education. Costs or services in alignment with a career technical education pathway or standards pursuant to Section 33-2202, Idaho Code. Eligible expenses include basic tools and supplies required for coursework. Industrial or professional-grade equipment is ineligible.** (8-5-26)T

b. Physical education. Eligible expenses are limited to portable instructional equipment necessary to demonstrate movement, fitness, and skill-based outcomes. Expenses for participation in specific recreational activities are ineligible unless deemed eligible for course credit as provided in Subsection 129.05.c.iii. (8-5-26)T

c. Performing and fine arts. Eligible expenses include consumable supplies and basic tools necessary for creation of student work. Studio equipment or professional-grade tools are ineligible. (8-5-26)T

d. Computer science and technology. Eligible expenses include software and entry-level hardware necessary to participate in virtual education. High-end personal computing systems are ineligible unless required for course delivery. (8-5-26)T

e. World languages. Eligible expenses include instructional texts, workbooks, software, and language tutoring. Experiential activities such as travel or immersion programs are ineligible. (8-5-26)T

06. **Ineligible Expenses.** The following expenses are not eligible to use supplemental learning funds: (8-5-26)T

a. Any item, service, or cost provided by the school district or school. (8-5-26)T

b. Travel costs; (8-5-26)T

c. Expenditures for recreational access or entry, included but not limited to; (8-5-26)T

i. Ski passes or lift tickets; (8-5-26)T

ii. Memberships to gyms, studios, or recreational facilities; (8-5-26)T

iii. Fees for participation in sports, camps, or recreational events unless necessary to receive course credit. The exemption may only be applied to participation in a single event per semester. (8-5-26)T

d. Entry or tickets for an event or activity unless deemed eligible pursuant Subsection 129.04.g.ii. (8-5-26)T

e. Personal infrastructure. Including but not limited to; (8-5-26)T

i. Home gym equipment (e.g., treadmills, weight benches, squat racks); (8-5-26)T

ii. Recreational structures (e.g., trampolines, basketball hoops, climbing structures); (8-5-26)T

iii. Permanent or semi-permanent installations, excluding one-time reimbursement for the cost of internet connectivity installation. (8-5-26)T

f. Professional or hobby equipment. Including but not limited to; (8-5-26)T

i. High-end or professional-grade equipment exceeding average market value relative to educational use. (8-5-26)T

ii. Specialized equipment tied to a specific hobby or sport not required to meet course outcomes. (8-5-26)T

07. **Decision Guidance.** The State Department of Education may develop and release guidance to support virtual schools in determining the eligibility of items or services submitted for direct purchase or reimbursement. (8-5-26)T

08. **Implementation and Oversight.** (8-5-26)T

a. Each virtual school shall establish internal procedures to review, approve, and audit direct payment and reimbursement of eligible educational expenses consistent with this rule. (8-5-26)T

i. Each virtual school shall develop a process and requirements for verifying the accuracy of invoices and receipts submitted for direct payment or reimbursement. At a minimum, invoices and receipts must be printed and include the name and address of the vendor, date of purchase or date of service, amount, and item or service description. Invoices for services must also include the name of the student or parent or guardian. (8-5-26)T

b. The State Board of Education, State Department of Education or an authorized state agency may audit expenditures for compliance with Sections 33-1619, 33-5202A, and 33-5206, Idaho Code, and this rule. (8-5-26)T

i. Findings of an audit or compliance review may result in recovery, withholding, or adjustment of supplemental learning funds by the State. (8-5-26)T

~~129~~³⁰. -- 139. (RESERVED)