

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 500

BY EDUCATION COMMITTEE

AN ACT

RELATING TO EDUCATION; AMENDING SECTION 33-4303, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE IDAHO OPPORTUNITY SCHOLARSHIP; AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. That Section 33-4303, Idaho Code, be, and the same is hereby amended to read as follows:

33-4303. IDAHO OPPORTUNITY SCHOLARSHIP. (1) The purposes of this section are to:

- (a) Recognize that all Idaho citizens benefit from an educated citizenry;
- (b) Increase individual economic vitality and improve the overall quality of life for many of Idaho's citizens;
- (c) Provide access to eligible Idaho postsecondary education through funding to remove financial barriers;
- (d) Increase the opportunity for economically disadvantaged Idaho students; and
- (e) Incentivize students to complete a postsecondary education degree or certificate.

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

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

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

- (i) Operated privately;
- (ii) Classified as not-for-profit under state law;
- (iii) Under the control of an independent board and not directly controlled or administered by a public or political subdivision; and
- (iv) Accredited by an organization recognized by the state board as provided in section 33-2402, Idaho Code.

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

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

1 (ii) Has graduated or will graduate from an accredited high school
2 or its equivalent in Idaho as determined by the state board;

3 (iii) Has enrolled or applied to an eligible Idaho postsecondary
4 educational institution;

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

8 (v) Is not receiving any grant funds pursuant to the provisions of
9 section 72-1205, Idaho Code; and

10 ~~(v)~~ (vi) Meets need and merit criteria as set by the state board.

11 "Eligible student" also means a student who has met the eligibility
12 requirements and was awarded an opportunity scholarship prior to June
13 30, 2014. Continued eligibility shall be based upon the eligibility
14 requirements at the time of the original award.

15 (d) "Opportunity scholarship program" means the scholarship program
16 described in this section and in the rules established by the state
17 board.

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

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

22 (3) (a) To qualify for the opportunity scholarship program an eligible
23 student must:

24 (i) Apply or have applied for federal student financial as-
25 stance available to an eligible student who will attend or is
26 enrolled in an eligible Idaho postsecondary educational institu-
27 tion; and

28 (ii) Meet need and merit criteria established by the state board
29 in rule.

30 (b) For an eligible student that has previously received an opportu-
31 nity scholarship award to renew such award for the next year, the eligi-
32 ble student shall maintain progress towards on-time degree completion
33 so that such student is on schedule to obtain an associate degree within
34 two (2) years or a baccalaureate degree within four (4) years from the
35 time such student initially received an opportunity scholarship award.

36 ~~(3) (4)~~ The state board shall promulgate rules to determine student el-
37 igibility, academic and financial eligibility, a process for eligible stu-
38 dents to apply, amount of awards, how eligible students will be selected and
39 when the awards shall be made, as well as other rules necessary for the admin-
40 istration of this section.

41 ~~(4) An eligible student must:~~

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

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

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

1 educational institution that the recipient attends for covering the educa-
2 tional costs.

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

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

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

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

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

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

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

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

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

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

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

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

8 SECTION 2. An emergency existing therefor, which emergency is hereby
9 declared to exist, this act shall be in full force and effect on and after
10 July 1, 2024.