

ALASKA COMMISSION ON POSTSECONDARY EDUCATION
SECTIONAL ANALYSIS FOR CSHB104 (RLS)

Renaming the Alaska performance scholarship and relating to the scholarship and tax credits applicable to contributions to the scholarship; relating to **AlaskAdvantage education grant funding and to** the Alaska performance scholarship funding; establishing an account and fund for those purposes; making confirming amendments; and providing for an effective date.

| BILL SEC. | AK STATUTE SECTION TITLE | Pg | LINE | PURPOSE OF SECTION NEW OR SUBSTANTIVELY AMENDED SECTIONS SET OUT IN BOLD FONT. | AGENCY |
|-----------|--|--------|-----------------------------|---|---|
| 1 | 14.03.113 – District determination of scholarship eligibility. | 1 2 | 7-13 1 | Renames scholarship Alaska performance scholarship (APS). | DEED - Public Schools Generally |
| 2 | 14.43.810 – Alaska performance scholarship established; regulations. | 2 | 2-13 | Renames Alaska performance scholarship program; and to generally references Alaska performance scholarship as scholarships, including section heading. | ACPE – Financial Aid Programs |
| 3 | 14.43.820(a) – Alaska performance scholarship; eligibility. | 2 3 | 14-31 1-8 | Renames scholarship Alaska performance scholarship. (Section title changed through reviser's instructions in Section 16). | ACPE – Financial Aid Programs |
| 4 | 14.43.825(a) – Maximum annual awards. | 3 | 9-18 | Renames scholarship Alaska performance scholarship. | ACPE - Financial Aid Programs |
| 5 | 14.43.825(f) – Maximum annual awards | 3 | 19-24 | Clarifies in the event of a funding shortfall no “new” APS awards will be made. | ACPE - Financial Aid Programs |
| 6 | 14.43.830 – Qualified postsecondary institutions. | 3 4 | 25-31 1-18 | Renames scholarship Alaska performance scholarship. Adds requirements applicable to postsecondary institutions seeking to participate in APS that they 1) have counseling services; and, 2) provide to students the courses needed for on-time degree completion. | ACPE - Financial Aid Programs |
| 7 | 14.43.849 – Definitions. | 4 5 | 19-31 1 | Amends “program” definition for new program name. | ACPE - Financial Aid Programs |
| 8 | 14.43.915 – General Section. | 5 | 2-12 | Establishes an AEG/APS award income account in the general fund. Permits appropriations to the account from the fund under 37.14.750. Monies to be used to pay AEG and APS awards with the amount to be determined annually under 37.14.750(c)—lesser of 1/3 AEG/APS fund balance or \$40 million. [See Section 10.] | ACPE - Financial Aid Programs |
| 9 | 14.45.130(a) – Records | 5 | 13-18 | Renames scholarship Alaska performance scholarship. | DEED – Exempt Religious/Other Private Schools |

| BILL SEC. | AK STATUTE SECTION TITLE | Pg | LINE | PURPOSE OF SECTION | AGENCY |
|-----------|---|--------|---------------|--|-------------------------------|
| 10 | 37.14.750 – Alaska performance scholarship investment fund established. | 5 6 | 19-31 1-15 | Establishes the AEG/APS fund containing: appropriations, income earned on fund investments, and donations to the fund. Establishes a revolving balance for the AEG/APS fund. Caps annual appropriation at the greater of \$40 million or amount needed to achieve AEG/APS fund balance to \$160 million. On or about 7/1 of each year the department will deposit the lesser of 1/3 the fund balance or \$40 million into the AEG/APS account (14.43.915). No dedication of funds. | DOR – Tax Division |
| 11 | 43.20.014(a) – Income tax education credit. | 6 | 16-30 | Expands contributions eligible for the Alaska education credit against corporate income tax to include contributions made to the AEG/APS fund. | DOR – Tax Division |
| 12 | 43.20.014(a) – Income tax education credit. | 6 7 | 31 1-12 | Deals with the sunset provision in the education tax credit program. In 2010, the annual maximum education tax credit was increased to \$5 million. The increase sunsets 1/1/14 at which time the limit returns to \$150,000. This provision ensures, even though the amount of the credit is reduced, contributions to the APS fund remain eligible for a credit. | DOR – Tax Division |
| 13 | Sec. 8, ch. 14, SLA 2010 | 7 | 13-28 | Transition language is amended to rename scholarship Alaska performance scholarship; and to generally reference Alaska performance scholarship as scholarships. | ACPE - Financial Aid Programs |
| 14 | Uncodified law | 7 8 | 29-31 1-5 | Transition language permitting the appropriation of smaller sums (\$20 million and \$30 million) into the AEG and APS fund in 37.14.750 for FY12 and FY13, respectively. | |
| 15 | Uncodified law | 8 | 6-13 | Transition language provides that state agencies may proceed to adopt regulations to implement Act, but regulations take effect no earlier than 7/1/2011. | DOLWD, DEED, DOR and ACPE; |
| 16 | Uncodified law | 8 | 14-20 | Instructs revisor to change title of Article 12 to Alaska Performance Scholarship Program and change title of 14.43.820 to Alaska performance scholarship program; eligibility. | |
| 17 | Effective date notice | 8 | 21 | Section 15 takes effect immediately. | |
| 18 | Effective date notice | 8 | 22-23 | New postsecondary institution requirements in Section 6 take effect 7/1/2012. | |
| 19 | Effective date notice | 8 | 24 | Section 12 takes effect 7/1/2014. | |
| 20 | Effective date notice | 8 | 25 | Except as set out in Sections 17-19, Act is effective 7/1/2011. | |