

ALASKA COMMISSION ON POSTSECONDARY EDUCATION  
WORK DRAFT SECTIONAL ANALYSIS  
CSHB104 EDC 2/8/11 (27-GH1893\I Mischel)

Renaming the Alaska performance scholarship and relating to the scholarship and tax credits applicable to contributions to the scholarship; relating to **AlaskaAdvantage education grant funding and to the Alaska performance scholarship funding**; establishing an account and fund for those purposes; **relating to an unmet need scholarship supplement for Alaska performance scholarship recipients; repealing the Alaska capital income fund**; making confirming amendments; and providing for an effective date.

BILL SEC.	AK STATUTE SECTION TITLE	Pg	LINE	PURPOSE OF SECTION NEW OR SUBSTANTIVELY CHANGED SECTIONS SET OUT IN BOLD FONT.	AGENCY/EFF. Date
1	14.03.113 – District determination of scholarship eligibility.	1 2	9-13 1-3	Amended to rename scholarship Alaska performance scholarship (APS).	DEED - Public Schools Generally; 7/1/2011 eff.
2	14.43.810 – Alaska performance scholarship established; regulations.	2	4-15	Amended to rename Alaska performance scholarship program; and to generally reference Alaska performance scholarship as scholarships, including section heading.	ACPE – Financial Aid Programs for Postsecondary Students 7/1/2011 eff.
3	14.43.820(a) – Alaska performance scholarship; eligibility.	2 3	16-31 1-10	Amended to rename scholarship Alaska performance scholarship. (Section title changed through reviser’s instructions in Section 14).	ACPE – Financial Aid Programs for Postsecondary Students; 7/1/2011 eff.
4	14.43.825(a) – Maximum annual awards.	3	11-20	Amended to rename scholarship Alaska performance scholarship.	ACPE - Financial Aid Programs for Postsecondary Students; 7/1/2011 eff.
5	<b>14.43.825(f) – Maximum annual awards</b>	3	21-26	<b>Clarifies that in the event of a funding shortfall no “new” APS applications will be awarded.</b>	<b>ACPE - Financial Aid Programs for Postsecondary Students 7/1/2011 eff.</b>
6	<b>14.43.727 – Eligibility for a scholarship supplement based on unmet need; minimum and maximum awards.</b>	3 4	27-31 1-30	<b>Creates needs-based supplemental aid for otherwise eligible scholarship recipients. ACPE will determine eligibility by calculating a student’s unmet need relative to a standard cost of attendance. Each student/family must annually contribute a minimum of \$2,000 toward their costs of attendance. Annual minimum supplemental award is \$500 and maximum is \$4,000.</b>	<b>ACPE - Financial Aid Programs for Postsecondary Students 7/1/2012 eff.</b>
7	14.43.830 – Qualified	4	31	Amended to rename scholarship Alaska performance scholarship and adds	ACPE - Financial Aid Programs for

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	<b>postsecondary institutions.</b>	<b>5</b>	<b>1-24</b>	<b>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.</b>	<b>Postsecondary Students 7/1/2012 eff.</b>
8	14.43.849 – Definitions.	5 6	25-31 1-7	Amends “program” definition for new program name.	ACPE - Financial Aid Programs for Postsecondary Students; 7/1/2011 eff.
<b>9</b>	<b>14.43.915 – General Section.</b>	<b>6</b>	<b>8-18</b>	<b>Establishes an AEG and APS award income account in the general fund. Permits appropriations under 37.14.750 and from other sources. Monies used to pay AEG and APS awards. Amount determined annually under 37.14.750(d) [lesser of 1/3 fund balance or \$40 million].</b>	<b>ACPE - Financial Aid Programs for Postsecondary Students 7/1/2011 eff.</b>
10	14.45.130(a) – Records	6	19-24	Amended to rename scholarship Alaska performance scholarship.	Education – Exempt Religious and Other Private Schools; 7/1/2011 eff.
<b>11</b>	<b>37.07.020(b) – Responsibilities of the Governor.</b>	<b>6 7</b>	<b>25-31 1-20</b>	<b>Amends Executive Budget Act to replace the Alaska Capital Income Fund with the AEG and APS fund re: requiring a report of the annual balance of significant funds... including the new AEG and APS fund.</b>	<b>OMB 7/1/2011 eff.</b>
<b>12</b>	<b>37.13.145(d) – Disposition of income.</b>	<b>7</b>	<b>21-31</b>	<b>Amends Alaska Permanent Fund statutes to replace the Alaska Capital Income Fund with the AEG and APS fund re: mandating the deposit of Amerada Hess income into the AEG and APS fund.</b>	<b>Alaska Permanent Fund 7/1/2011 eff.</b>
<b>13</b>	<b>37.14.750 – Alaska performance scholarship investment fund established.</b>	<b>8 9</b>	<b>1-31 1-2</b>	<b>Establishes the AEG and APS fund consisting of appropriations, income earned on fund asset investments, donations, and money deposited to the fund under AS 37.13.145(b). Permits legislature to deposit into the fund 15% of money the state receives under 43.55.011(g). Caps annual appropriation at the greater of \$40 million or amount needed to raise AEG and APS fund balance to \$160 million. On or about 7/1 of each year the department will deposit the lesser of 1/3 the account balance or \$40 million into the AEG and APS account (14.43.915). This is not a dedicated fund.</b>	<b>Dept. of Revenue – Tax Division 7/1/2011 eff.</b>
14	43.20.014(a) – Income tax education credit.	9	3-17	Expands contributions eligible for the Alaska education credit against corporate income tax to include contributions made to the APS fund.	Dept. of Revenue – Tax Division; 7/1/2011 eff.
15	43.20.014(a) – Income tax education credit.	9	18-30	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	Dept. of Revenue – Tax Division 7/1/2011 eff.

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				APS fund remain eligible for a credit.	
16	Sec. 8, ch. 14, SLA 2010	9 10	31 1-15	Transition language is amended to rename scholarship Alaska performance scholarship; and to generally reference Alaska performance scholarship as scholarships.	7/1/2011 eff.
17	<b>37.05.565 – Special Funds.</b>	<b>10</b>	<b>16</b>	<b>Repeals Alaska Capital Income Fund.</b>	<b>7/1/2011 eff.</b>
18	<b>Uncodified law</b>	<b>10</b>	<b>17-28</b>	<b>Transition language permitting the appropriation of smaller sums (\$20 million and \$30 million) into the AEG and APS Fund for FY12 and FY13, respectively; and, transferring money in the Alaska capital income fund to the AEG and APS fund under 37.14.750.</b>	<b>7/1/2011 eff.</b>
19	Uncodified law	10 11	29-31 1-5	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; Effective immediately
20	Uncodified law	11	6-12	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.	7/1/2011 eff.
21	Effective date notice	11	13	Section 19 takes effect immediately.	
22	<b>Effective date notice</b>	<b>11</b>	<b>14-15</b>	<b>Section 6, and new postsecondary institution requirements in Section 7, take effect 7/1/2012.</b>	
23	Effective date notice	11	16	Section 15 takes effect 7/1/2014.	
24	Effective date notice	11	17	Except as in Secs. 21 - 23, Act is effective 7/1/2011.	