

Susan Henrichs, Provost 907-474-7096 907-474-1836 fax

uaf.provost@alaska.edu www.uaf.edu/provost

## Office of the Provost

311 Signers' Hall, P.O. Box 757580, Fairbanks, Alaska 99775-7580

February 5, 2016

Representative Tammie Wilson Capitol Building Room 412 Alaska State Legislature Juneau, AK 99801

Dear Representative Wilson:

I am writing to express concerns about HB 264, "An Act relating to repayment of Alaska performance scholarships and Alaska education grants." The bill would add the following language to the existing law:

If a person who receives an Alaska education grant under AS 14.43.400 - 14.43.420 or an Alaska performance scholarship award under AS 14.43.810 - 14.43.849 fails to complete the qualified postsecondary education program in which the person is enrolled within six years after the date of the first payment of funds, the person shall repay the amount of the grant or scholarship. The terms and conditions for repayment of a loan under AS 14.43.120 apply to repayment of a grant or scholarship under this subsection, except that interest begins to accrue on the grant or scholarship on the date when the person's obligation for repayment commences.

I have discussed my concerns with the Provosts (Vice Chancellors for Academic Affairs) at the University of Alaska Anchorage and the University of Alaska Southeast and all of us share them. The concerns include:

- (1) There is no allowance for health or family issues. What about students who have a serious illness, or must care for an ill family member? What if a student was called upon to care for younger siblings on the death of a parent? Many such situations arise with UA students.
- (2) There is no allowance for other matters outside the student's control. A few examples would be the student's National Guard unit being deployed; major and unforeseen expenses due to a fire or natural disaster; or a job transfer for either the student or their spouse.
- (3) There appears to be an underlying assumption that the money is wasted or misused if the student does not graduate. Since the Alaska Performance Scholarship has requirements for satisfactory academic progress, the money will not continue to be disbursed unless the student is passing classes and learning.
- (4) The threat of potentially having to repay the funds will weigh on financially needy students much more than on those who can afford college with their own resources or those of their parents. It could

act as a deterrent to low-income students attending college at all, or enrolling in a more demanding or longer program.

- (5) The requirement to complete within six years is a much more stringent standard for baccalaureate-seeking students than for AA, AAS, or Certificate-seeking students, since those credentials normally take two years or less to complete. This could be a disincentive for students to enroll in baccalaureate programs.
- (6) There is already a substantial incentive to complete within six years, because a student is only eligible for funding for six years.
- (7) The act refers to "the qualified postsecondary education program in which the person is enrolled". When does the clock start? Many students switch majors, i.e., finish a different program than the one that they started. Also, many students enter the University without a declared major, so the "program in which the person is enrolled" is not decided until several semesters after first enrollment.

Thank you for your consideration of these concerns.

Sincerely yours,

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Susan Henrichs

cc: Representative Wes Keller, Chair, House Education Committee

