ALASKA STATE LEGISLATURE SENATE FINANCE COMMITTEE

Senator Anna MacKinnon, Co-Chair State Capitol, Room 516 Juneau, Alaska 99801-1182 Phone: (907) 465-3777 Sen.Anna.MacKinnon@akleg.gov



Senator Lyman Hoffman, Co-Chair State Capitol, Room 518 Juneau, Alaska 99801-1182 Phone: (907) 465-4453 Sen.Lyman.Hoffman@akleg.gov

Sectional Analysis SB 103 Version U

Section 1: AS 14.03

Adds a new section, AS 14.03.128, that establishes the Alaska Education Innovation Grant Fund. School Districts may request a grant under this section for the support of innovative education ideas. The Commissioner of the Department of Education and Early Development (DEED) shall determine annually the amount requested for grants and submit them in their budget for legislative approval.

(b): clarifies that the Commissioner of DEED shall determine the amount required to fund programs, projects and ideas that meet the standards for the innovation grants, set by the department of education.

Section 2: AS 14.43.820(a)

Allows all seniors in 2017 to receive levels 1, 2, and 3 of the APS. After this academic year, students in the graduating class of 2018 or later, must have a GPA of 3.5 or higher, leaving level 1 of the APS in place, effective July 1, 2017.

Section 3: AS 14.43.825(a)

Repeals levels 2 and 3 of the APS, effective July 1, 2017

Section 4: AS 14.43.825(b)

Makes the duration of the Alaska Performance Scholarship available for four years, effective July 1, 2017.

Sections 5-7: AS 14.43.915(a), (b), and (c)

Conforming Language to change the name of the fund from "Alaska Higher Education Investment" to the "Alaska Education Innovation Grant".

Section 8: AS 14.43.915(c)

Removes the current structure of award allocations to qualified applicants for the APS and AEG.

Effective Feb. 1, 2021

<u>Section 9: AS 14.43.915(d)</u> Conforming language change of the word "accounts" to the word "account"

Section 10: AS 37.14.750(a)

Conforming Language to change the name of the fund from "Alaska Higher Education Investment" to the "Alaska Education Innovation Grant". This section establishes the purpose of the fund, which is "making grants to school districts to support the Alaska Education Innovation Grant Program."

<u>Section 11: AS 37.14.750(a)</u> Removes the AEG award appropriation, effective Feb. 1, 2021

Section 12: AS 37.14.750(c)

Clarifies that the commissioner of revenue shall determine the market value of the fund on June 30th for the immediately preceding fiscal year. The commissioner shall identify 5% of this amount as available for appropriation as follows:

- One-third will be for the AEG
- One-third will be for the APS
- One-third will be for the Alaska Education Innovation Grant

This will be the funding allocation for the next 4 years, as the AEG and levels 2 and 3 of the APS are phased out.

Effective Immediately

Section 13: AS 37.14.750 (c)

Changes the funding allocation for the Alaska Education Innovation Grant Fund by:

- One-third will be for the APS
- Two-thirds will be for the Alaska Education Innovation Grant Fund

Effective Feb. 1, 2021

Sections 14-20:

Conforming Language to change the name of the fund from "Alaska Higher Education Investment" to the "Alaska Education Innovation Grant".

Section 21

Repeals the following sections on Feb. 1, 2021.

Article 8: Alaska Education Grant Program

- AS 14.43.400 Purpose; creation
- AS 14.43.405 Administration
- AS 14.43.406 Applicability of other laws
- AS 14.43.415 Eligibility; priority
- AS 14.43.420 Limitation on grants

Article 13 General Provisions

- AS 14.43.915(a) – Alaska education grant account

Section 22: Transition: Scholarships for graduating classes before 2018.

A person who has been awarded an APS and is a member of the high school graduating class of 2017 or earlier may continue to receive an annual award.

- Seniors in high school now will get an award for 4 years
- Freshman in college now will get an award for another 3 years
- Sophomores in college now will get an award for another 2 years
- Juniors in college now will get an award for another 1 year.

Section 23: Transition

The Departments of: Education and Early Development, Labor and Workforce Development and the Alaska Commission on Postsecondary Education may adopt regulations to implement necessary changes made by this act. The regulations may only take effect after the law is implemented.

Section 24: Retroactivity

If Sections 2-4 of this Act take effect after July 1, 2017, then sections 2-4 of this act are retroactive to July 1, 2017.

Section 25: Effective Dates

Sections 8, 9, 11, and 13 take effect Feb. 1, 2021.

Section 26: Effective Date

Except as provided in section 25 of this Act, this Act takes effect immediately.