

**SENATE BILL NO. 187**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTIETH LEGISLATURE - FIRST SESSION**

**BY SENATOR WILKEN**

**REPRESENTATIVE Ogan**

**Introduced: 4/25/97**

**Referred: Health, Education and Social Services**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to disclosure of public records identifying a participant in the  
2 advance college tuition payment program; relating to the composition and assets  
3 of the Alaska advance college tuition payment fund; relating to administration of  
4 the advance college tuition payment program; relating to advance college tuition  
5 payment contracts; and providing for an effective date."

6 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

7 \* **Section 1.** AS 09.25.120(a) is amended to read:

8 (a) Every person has a right to inspect a public record in the state, including  
9 public records in recorders' offices, except

10 (1) records of vital statistics and adoption proceedings, which shall be  
11 treated in the manner required by AS 18.50;

12 (2) records pertaining to juveniles unless disclosure is authorized by  
13 law;

- 1 (3) medical and related public health records;
- 2 (4) records required to be kept confidential by a federal law or
- 3 regulation or by state law;
- 4 (5) to the extent the records are required to be kept confidential under
- 5 20 U.S.C. 1232g and the regulations adopted under 20 U.S.C. 1232g in order to secure
- 6 or retain federal assistance;
- 7 (6) records or information compiled for law enforcement purposes, but
- 8 only to the extent that the production of the law enforcement records or information
- 9 (A) could reasonably be expected to interfere with enforcement
- 10 proceedings;
- 11 (B) would deprive a person of a right to a fair trial or an
- 12 impartial adjudication;
- 13 (C) could reasonably be expected to constitute an unwarranted
- 14 invasion of the personal privacy of a suspect, defendant, victim, or witness;
- 15 (D) could reasonably be expected to disclose the identity of a
- 16 confidential source;
- 17 (E) would disclose confidential techniques and procedures for
- 18 law enforcement investigations or prosecutions;
- 19 (F) would disclose guidelines for law enforcement investigations
- 20 or prosecutions if the disclosure could reasonably be expected to risk
- 21 circumvention of the law; or
- 22 (G) could reasonably be expected to endanger the life or
- 23 physical safety of an individual;

24 **(7) names, addresses, and other information identifying a person as**  
 25 **a participant in the advance college tuition payment program under AS 14.40.803**  
 26 **- 14.40.817.**

27 \* Sec. 2. AS 14.40.803(b) is amended to read:

28 (b) The fund consists of

- 29 (1) permanent fund dividend and cash contributions made under
- 30 AS 14.40.807 under the terms of an advance tuition payment contract;
- 31 (2) appropriations, gifts, bequests, and contributions [OF CASH OR

1 OTHER ASSETS]; and

2 (3) income and earnings of the fund.

3 \* **Sec. 3.** AS 14.40.803(c) is amended to read:

4 (c) Assets of the fund shall be expended to make payments to the university  
5 and other eligible educational institutions, including payments for refunds,  
6 redemptions, and awards under an advance tuition payment contract or a prepaid  
7 tuition scholarship, and costs of administration of the fund.

8 \* **Sec. 4.** AS 14.40.805(11) is amended to read:

9 (11) make payments to the university as requested by the board,  
10 including payments for refunds, [AND] redemptions, and awards under an advance  
11 tuition payment contract or a prepaid tuition scholarship, and costs of administration  
12 of the fund.

13 \* **Sec. 5.** AS 14.40.809 is amended to read:

14 **Sec. 14.40.809. Powers and duties of the University of Alaska.** (a) The  
15 Board of Regents of the University of Alaska may contract with a purchaser for the  
16 advance payment of tuition and other qualified higher education expenses by the  
17 purchaser for a beneficiary of any age to attend a branch of the university or other  
18 eligible educational institution to which the beneficiary is admitted. A purchaser and  
19 a beneficiary may be the same person.

20 (b) The board shall

21 (1) make appropriate arrangements as necessary to fulfill the board's  
22 obligations under an advance tuition payment contract;

23 (2) establish and adopt a formal plan for administration of the advance  
24 college tuition payment program and prepaid tuition scholarship program; the terms  
25 and conditions of the plan shall be considered a part of an advance college tuition  
26 payment contract;

27 (3) establish investment objectives, criteria, and asset allocation  
28 guidelines for the fund based on prudent institutional investor guidelines and actuarial  
29 analysis of the earnings requirements for the advance college tuition payment plan;  
30 and

31 (4) enter into [A] reciprocal agreements [AGREEMENT] with Sheldon

Jackson College, [AND] Alaska Pacific University, and other eligible educational institutions or state tuition programs that the board determines to be beneficial to the advance college tuition payment program [; AND

(5) MAKE THE OBLIGATION UNDER AN ADVANCE COLLEGE TUITION PAYMENT PROGRAM A GENERAL OBLIGATION OF THE UNIVERSITY].

\* **Sec. 6.** AS 14.40.811(a) is amended to read:

(a) An advance college tuition payment contract must set out or include by reference to the plan

(1) [IF AN INSTALLMENT PURCHASE PROGRAM IS ESTABLISHED BY THE BOARD, THE AMOUNT OF PAYMENTS REQUIRED FROM THE PURCHASER, THE TERMS AND CONDITIONS FOR MAKING THE PAYMENTS, AND PROVISIONS FOR LATE PAYMENT CHARGES;

(2)] the name and date of birth [AGE] of the purchaser and the beneficiary [PRIMARY AND ALTERNATE BENEFICIARIES] under the contract;

(2) [(3)] the number of prepaid tuition credits purchased [TO BE PROVIDED TO THE PRIMARY AND ALTERNATE BENEFICIARIES] under the contract;

(3) [(4)] the terms and conditions under which the contract may be terminated and refunds made;

(4) [(5)] the assumption of a contractual obligation by the board to provide [TUITION CREDITS FOR HIGHER] education to the beneficiary in accordance with the terms of the plan;

(5) [(6)] the period of time during which the beneficiary may receive the benefits of the contract; and

(6) [(7)] other terms and conditions the board determines to be appropriate or that are required by the United States Internal Revenue Code.

\* **Sec. 7.** AS 14.40.817 is amended to read:

**Sec. 14.40.817. Definitions.** In AS 14.40.803 - 14.40.817,

(1) "advance college tuition payment contract" or "contract" means a contract entered into by the board and a purchaser to provide for the higher

1 education of a beneficiary;

2 (2) "beneficiary" means a designated beneficiary as defined under  
 3 26 U.S.C. 529(e)(1) (Internal Revenue Code) [PERSON WHO HAS RIGHTS  
 4 UNDER AN ADVANCE COLLEGE TUITION PAYMENT CONTRACT AND WHO  
 5 IS

6 (A) A RESIDENT OR WHO WILL BE A RESIDENT  
 7 BEFORE RECEIVING BENEFITS UNDER AN ADVANCE COLLEGE  
 8 TUITION PAYMENT CONTRACT; OR

9 (B) A CHILD OR LEGAL WARD OF A RESIDENT OR OF  
 10 AN ALUMNUS OF THE UNIVERSITY];

11 (3) "board" means the Board of Regents of the university;

12 (4) "eligible educational institution" has the meaning given in  
 13 26 U.S.C. 135(c)(3) (Internal Revenue Code);

14 (5) "fund" means the Alaska advance college tuition payment fund  
 15 established under AS 14.40.803;

16 (6) [(5)] "plan" means the formal plan for administration of an advance  
 17 college tuition payment program and prepaid tuition scholarship program adopted by  
 18 the board under AS 14.40.809(b);

19 (7) [(6)] "purchaser" means the [A] person who is named in the  
 20 contract and has the rights conferred upon a purchaser [MAKES OR IS  
 21 OBLIGATED TO MAKE ADVANCE TUITION PAYMENTS] under an advance  
 22 college tuition payment contract;

23 (8) "qualified higher education expenses" has the meaning given  
 24 in 26 U.S.C. 529(e)(3) (Internal Revenue Code);

25 (9) [(7)] "university" means the University of Alaska, including a  
 26 community college affiliated with the university.

27 \* **Sec. 8.** This Act takes effect immediately under AS 01.10.070(c).