

CS FOR HOUSE BILL NO. 302(HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 4/27/98
Referred: Finance

Sponsor(s): REPRESENTATIVE BUNDE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the University of Alaska; and providing for an effective
2 date."

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

4 * **Section 1.** INTENT. It is the intent of the legislature that, by appropriating funds to the
5 University of Alaska,

6 (1) the funding process should offer maximum institutional flexibility to
7 allocate funds internally to carry out roles and missions established by the Board of Regents;

8 (2) the funding process should be a straightforward approach that can be used
9 by the Board of Regents to express system-wide priorities;

10 (3) there should be a clear and understandable relationship between institutional
11 needs, the system-wide funding request, the legislative appropriations, the allocation of funds,
12 and the ultimate use of the funds;

13 (4) the funding process should not penalize a University of Alaska campus as
14 the result of decisions related to the internal allocation of resources by other campuses;

1 (5) any incentives that the Board of Regents uses in the funding process should
2 be explicit;

3 (6) the funding process should be applied consistently from year to year so that
4 there can be some level of predictability in the allocation as well as increased confidence in
5 the outcome;

6 (7) the funding process should encourage cooperative programs among
7 campuses; and

8 (8) the funding process should be compatible with statewide education goals.

9 * **Sec. 2.** AS 14.40 is amended by adding a new section to read:

10 **Sec. 14.40.315. Limitation on expenditure of certain state appropriations.**

11 (a) An appropriation to the University of Alaska for educational services shall be
12 allocated as required by this section. The Board of Regents shall

13 (1) allocate to each campus an amount of funding equal to its base
14 allocation from the prior fiscal year, plus two percent for inflation; and

15 (2) apply an enrollment workload adjustment to the base allocation of
16 each campus; the adjustment shall be calculated as follows:

17 (A) a three-year average of credit hours multiplied by the
18 program weighting factor shall be used; the three fiscal years to be used shall
19 be those that precede the fiscal year of the allocation and shall consist of two
20 fiscal years of actual and one fiscal year of estimated credit hours;

21 (B) credit hours generated from externally funded sources and
22 contracts may not be used in calculating the adjustment; credit hours for in-
23 service teacher education must be included in calculating the adjustment;

24 (C) the total budget base of all campuses shall be multiplied by
25 0.33 and divided by the three-year average of total weighted credit hours for
26 the prior fiscal year; the resulting amount per credit hour shall be multiplied
27 by the change from the prior three-year average of weighted credit hours for
28 each campus to determine the enrollment workload adjustment by campus;

29 (D) program weights are the weighting factors applied to four
30 groups of instructional disciplines with different weight factors by group and
31 course level; the groups and weighting factors are as follows:

1 (i) Group I: associate degree in accounting, air traffic
2 control, architectural drafting, architectural and engineering technology,
3 associate of arts, associate of applied science, automotive technology,
4 business computer information systems, civil engineering drafting,
5 computer electronics, dental assisting, dental hygiene, early childhood
6 development, fire service administration, food service technology,
7 forestry technology, general business, geomatics, human services,
8 industrial process instrumentation, mechanical and electrical drafting,
9 mechanical technology, medical assisting, nursing, office management
10 and technology, paralegal studies, paramedic technology, petroleum
11 engineering aide, petroleum technology, professional piloting, small
12 business administration, small business management, and structural
13 drafting;

14 (ii) Group II: anthropology, art, automotive technology,
15 aviation maintenance technology, Bachelor of Arts, Bachelor of
16 Education, diesel technology, economics, electronics technology,
17 elementary education, English, history, interdisciplinary studies, justice,
18 medical laboratory technology, music, political science, psychology,
19 physical education, refrigeration and heating technology, secondary
20 education, social work, sociology, technology, and welding technology;

21 (iii) Group III: Bachelor of Arts in journalism,
22 mathematics, or theater; Bachelor of Business Administration in
23 accounting, economics, finance, management, management information
24 systems, or marketing; Bachelor of Fine Arts in art; Bachelor of Music
25 in elementary education, secondary education, or performance; Bachelor
26 of Science in mathematics; and bachelor's degree in technology;

27 (iv) Group IV: Bachelor of Arts in biological sciences
28 or computer sciences; Bachelor of Science of biological sciences,
29 chemistry, civil engineering, computer science, geomatics, mathematics,
30 natural sciences, nursing science; and engineering of mines;

31 (E) the weighting factors for the groups described in (D) of this

1 paragraph are as follows:

2		Group			
3	Course Level	I	II	III	IV
4	Lower division	1.00	1.30	1.60	3.00
5	Upper division	1.50	1.90	2.50	3.50
6	Graduate	3.50	3.50	6.00	6.50.

7 (b) The Board of Regents shall establish procedures necessary to implement
8 this section.

9 (c) This section does not apply to a direct appropriation to a specific campus
10 or program of the University of Alaska.

11 * **Sec. 3.** AS 14.40.325 is amended to read:

12 **Sec. 14.40.325. Reallocation within state appropriations.** Notwithstanding
13 the provisions of AS 37.07.080(e) **and subject to the provisions of AS 14.40.315,**
14 each appropriation to the University of Alaska is subject to reallocation by the
15 university administration under procedures established by the Board of Regents and the
16 **office of management and budget** [DIVISION OF BUDGET REVIEW] in the Office
17 of the Governor. Transfers may not be made between appropriations except as
18 provided in an Act making transfers between appropriations.

19 * **Sec. 4.** This Act takes effect July 1, 1998.