

**ALASKA STATE LEGISLATURE
HOUSE EDUCATION STANDING COMMITTEE**

February 12, 2010

8:04 a.m.

MEMBERS PRESENT

Representative Paul Seaton, Chair
Representative Cathy Engstrom Munoz, Vice Chair
Representative Bryce Edgmon
Representative Peggy Wilson
Representative Robert L. "Bob" Buch
Representative Berta Gardner

MEMBERS ABSENT

Representative Wes Keller

COMMITTEE CALENDAR

HOUSE BILL NO. 297

"An Act establishing the governor's performance scholarship program and relating to the program; establishing the governor's performance scholarship fund and relating to the fund; relating to student records; making conforming amendments; and providing for an effective date."

- HEARD & HELD

HOUSE BILL NO. 206

"An Act establishing a career assessment requirement in public schools; and relating to postsecondary courses for secondary school students."

- SCHEDULED BUT NOT HEARD

PREVIOUS COMMITTEE ACTION

BILL: HB 297

SHORT TITLE: POSTSECONDARY SCHOLARSHIPS

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

01/19/10	(H)	READ THE FIRST TIME - REFERRALS
01/19/10	(H)	EDC, FIN
02/03/10	(H)	EDC AT 8:00 AM BARNES 124
02/03/10	(H)	Heard & Held
02/03/10	(H)	MINUTE(EDC)

02/12/10

(H)

EDC AT 8:00 AM CAPITOL 106

WITNESS REGISTER

LARRY LEDOUX, Commissioner

Department of Education and Early Development (EED)

Juneau, Alaska

POSITION STATEMENT: Provided a sectional review and responded to questions on HB 297.

EDDY JEANS, Director

School Finance and Facilities Section

Department of Education and Early Development (EED)

Juneau, Alaska

POSITION STATEMENT: Responded to questions on HB 297.

ACTION NARRATIVE

[8:04:09 AM](#)

CHAIR PAUL SEATON called the House Education Standing Committee meeting to order at 8:04 a.m. Representatives Seaton, Munoz, Wilson, Edgmon, Buch and Gardner, were present at the call to order.

HB 297-POSTSECONDARY SCHOLARSHIPS

[8:04:57 AM](#)

CHAIR SEATON announced that the first order of business would be HOUSE BILL NO. 297 "An Act establishing the governor's performance scholarship program and relating to the program; establishing the governor's performance scholarship fund and relating to the fund; relating to student records; making conforming amendments; and providing for an effective date."

[8:08:16 AM](#)

LARRY LEDOUX, Commissioner, Department of Education and Early Development (EED), began with Section 1, which indicates that a school district shall determine whether a student who graduates from a local high school is eligible for a Governor's Performance Scholarship (GPS) award. Student transcripts will reflect whether the criteria have been met and for what level, or tier, of the GPS they are eligible.

[8:09:31 AM](#)

REPRESENTATIVE GARDNER asked how the American College Testing (ACT) and Scholastic Achievement Test (SAT) scores are reported.

COMMISSIONER LEDOUX said the results are usually provided directly to the school and become part of a student's transcript. In this case the student would specifically authorize a high school to receive the scores.

[8:10:14 AM](#)

COMMISSIONER LEDOUX continued with Section 2, which grants Department of Education and Early Development (EED) the authority to act on the GPS program. Section 3 defines the role, as fiscal agent, of the Commission on Postsecondary Education.

[8:10:55 AM](#)

REPRESENTATIVE P. WILSON noted that funding for an education specialist is indicated for the inception year, and asked how it will be handled in subsequent years.

COMMISSIONER LEDOUX explained that the funded position will assist with the public hearings, and other tasks, required for establishing the lengthy regulations that will govern the GPS.

[8:11:42 AM](#)

REPRESENTATIVE P. WILSON asked why the fiscal note does not indicate it as a permanent position.

EDDY JEANS, Director, School Finance and Facilities Section, Department of Education and Early Development (EED), acknowledged that the fiscal note will require amending.

[8:12:33 AM](#)

COMMISSIONER LEDOUX turned to Section 4, and read [original punctuation provided]:

The governor's performance scholarship program is established to provide scholarship opportunities for Alaska resident high school graduates to attend a qualified postsecondary institution in the state. The program includes a merit-based academic scholarship and a merit-based career and technical school

scholarship. The merit-based academic scholarship consists of three levels of awards. The merit-based career and technical school scholarship consists of one level of award.

[8:13:20 AM](#)

CHAIR SEATON referred to page 3, line 15, and about eligibility for home school students.

[8:14:07 AM](#)

COMMISSIONER LEDOUX verified that the intent is to provide every graduate in the state the opportunity to receive a GPS, including home school students. He pointed out that many home school students are affiliated with their local high school, and others may be in enrolled in an independently accredited program that provides a graduation diploma.

[8:14:56 AM](#)

CHAIR SEATON said this section will be flagged, and requested EED to clarify participation allowances/restrictions.

MR. JEANS reiterated that it is the intent of the department that the program be available to every high school graduate, and is not limited to public school attendees. The term "public" was intentionally omitted, and the regulatory process will provide how students outside of the public school system will be addressed. He opined that attempting to include those provisions in the statute could prove to be cumbersome.

CHAIR SEATON maintained that the committee will need to have a clear framework for what is to be accomplished through the statute. The section should delineate whether a GED (General Education Development) certificate would be included, and list the qualifying parameters.

[8:17:37 AM](#)

REPRESENTATIVE P. WILSON noted that Section 4 establishes guidelines and asked if this section also addresses grade point averages (GPAs).

COMMISSIONER LEDOUX said yes.

[8:18:08 AM](#)

COMMISSIONER LEDOUX continued with Section 4, subsection (b), paraphrasing the language, which read as follows [original punctuation provided]:

The Department of Education and Early Development shall design the programmatic standards for the scholarships and appeals of adverse decisions. The Alaska Commission on Postsecondary Education shall administer the daily operations of the program and financing of the program, including the procedures for applying for the scholarships, establishing standards for and ensuring continuing compliance with programmatic standards, and requiring students to apply for other non-loan financial aid, consistent with federal law. The respective agencies shall adopt necessary regulations under AS 44.62 after consultation with each other. The department may change the regulations under AS 44.62 for requirements for programmatic standards for required academic achievement for eligibility only by giving advanced public notice at least one school year before the change.

CHAIR SEATON stated his understanding that, prior to a student receiving a GPS award, an applicant must first exhaust grant options and federal resource possibilities.

COMMISSIONER LEDOUX concurred, and indicated that the state will be the final resource.

[8:19:44 AM](#)

COMMISSIONER LEDOUX turned attention to subsections (c) and (d) [page 2, line 10] and read [original punctuation provided]:

(c) For purposes of this program, a student is an Alaska resident if the student meets the eligibility for residency as described in AS 01.10.055. (d) The program shall be administered to further the following goals: (1) increasing high school graduation rates in the state; (2) improving academic performance of students in grades kindergarten through 12 in the state; (3) improving preparedness of Alaska students for postsecondary education; (4) improving the quality of the educational programs offered by high schools in the state; (5) increasing the scores of high school

students in the state on college entrance examinations; (6) increasing job training opportunities in the state; (7) improving the postsecondary academic achievement and graduation rates of students in the state; (8) expanding the pool of high school students in the state who pursue postsecondary opportunities.

[8:20:39 AM](#)

CHAIR SEATON returned to subsection (b) and asked what the programmatic standards being designed include.

COMMISSIONER LEDOUX responded that the programmatic standards will be established by the standardized test scores. As it is currently written, it also could include the actual GPA. He stressed that it is the intent of the department to follow the governor's guidelines provided in the proposal.

MR. JEANS added that programmatic standards will also list the courses that qualify for meeting the requirements. A menu of elective options for math, science, English, and social studies classes will be developed

[8:22:22 AM](#)

CHAIR SEATON asked whether seat time, that is Carnegie units, will be required to complete classes, or will students be able to challenge classes, particularly if they are using distance learning.

COMMISSIONER LEDOUX said every school district is responsible for determining whether a student has achieved course requirements. Part of the programmatic standards discussion will be how to translate standards based scores. School boards will devise a methodology to accomplish this, probably modeling algorithms that are often used by colleges. One of the goals of this program is to prepare students for college, and course standards will not be waived.

[8:24:44 AM](#)

REPRESENTATIVE MUNOZ theorized that a student may receive an A GPA, but score average on a standardized test, and asked what happens to that graduate.

COMMISSIONER LEDOUX pointed out that all three criteria must be met: curriculum requirements, qualifying GPA, and an adequate standardized test score. In further response, he said if someone has an A GPA and tests at a C level, they will receive a scholarship level based on the "C+".

8:26:07 AM

CHAIR SEATON directed attention to the committee packet and the page stamped SAMPLE, with column headings for curriculum, GPA, and assessment scores, updated by EED in February 2010, and asked if it illustrates programmatic standards.

MR. JEANS responded yes.

8:26:28 AM

REPRESENTATIVE MUNOZ requested an analysis of the scoring matrix for SAT/ACT scores, and how they compare to requirements of schools across the nation. She opined that the scores indicated on the sample page appear high.

COMMISSIONER LEDOUX offered that the sample sheet does not reflect reality, they are basically random numbers.

8:27:50 AM

REPRESENTATIVE P. WILSON held up the sample page, and suggested changing the language of the form, which, she opined, may be discouraging to students. A student may have an A GPA, but still choose to follow a career and technical track. The language could be read as insinuating and insulting.

COMMISSIONER LEDOUX agreed to revise the form, stating that it is not the intent to project the wrong message.

8:29:06 AM

REPRESENTATIVE EDGMON asked whether the secondary role of this program is to direct students to Alaskan institutions of higher learning.

COMMISSIONER LEDOUX said yes, with the expectation that students who achieve their postsecondary education in Alaska will remain as residents.

REPRESENTATIVE EDGMON said language of that intent appears to be missing from Section 4 (d). Commissioner LeDoux concurred, and an agreement was made to work on an amendment to rectify the situation.

8:30:25 AM

CHAIR SEATON returned to the topic of programmatic standards, and said it would be helpful to have further information on how this will be accomplished via means other than the traditional method of Carnegie units. The non-traditional students do not appear to be included.

8:32:20 AM

REPRESENTATIVE P. WILSON reported that many schools are currently graduating students who require remediation when they enter a higher institution. She stated her understanding that one intention of this bill is to eliminate the need for remedial classes. Noting that regulations will be crafted for the schools, she asked whether the legislature will have a means to ensure that districts are not passing students who cannot satisfied competency requirements.

COMMISSIONER LEDOUX stressed the importance of including the requirements for rigor. Expectations will not be lowered, and the intent is to graduate students who can enter college appropriately. He offered a personal anecdote to illustrate his point.

REPRESENTATIVE P. WILSON maintained her concern, and expressed dismay that the current regulations have not prevented this phenomena; passing a class is not assurance of competency.

8:36:53 AM

COMMISSIONER LEDOUX reviewed the purpose of the standardized test score. The ACT is a proven predictor of first year college performance, and grades are the predictor for graduation.

8:38:11 AM

CHAIR SEATON reported that the graduation work group has discussed the importance for teachers to have a common understanding of what a grade represents. Students are very discouraged when there is no standardization of grades from

classroom to classroom. He predicted that school reforms will bring this forward, as communities prepare for the GPS.

[8:39:50 AM](#)

COMMISSIONER LEDOUX returned to Section 4, page 4, line 17 and read [original punctuation provided]:

Qualifications of applicants. (a) A student may submit an application for a governor's performance scholarship to attend a qualified postsecondary institution in the state if the student (1) has applied or intends to apply for admission to the institution; (2) is an Alaska resident who has (A) graduated, or will graduate no later than six months after the date of the application from a high school in the state, including a public school, private school, and home school; (B) graduated, or will graduate no later than six months after the date of the application from a high school outside of the state under circumstances allowed by the department; for purposes of this subparagraph, allowable circumstances include an Alaska resident high school student having left the state because of the military service of the student's Alaska resident custodial parent; (3) will receive and utilize the scholarship at a qualified postsecondary institution in the state no later than six years after the beginning of the first school year after a student's graduation from high school, unless the applicant qualifies for an extension of time allowed by the department; for purposes of this paragraph, standards for extension of time must include time while the student is in military service; and (4) meets other minimum qualifications to apply or continue to be eligible for a governor's performance scholarship.

[8:41:24 AM](#)

REPRESENTATIVE P. WILSON inquired how short term military transfers will be addressed.

COMMISSIONER LEDOUX replied that the intent is to view residency as residency, regardless of transfer status.

CHAIR SEATON suggested including a definition of resident.

8:43:01 AM

REPRESENTATIVE GARDNER directed attention to page 4, line 1, which refers to AS 01.10.055, and at the direction of the chair, she read the cited statute [original punctuation provided]:

(a) A person establishes residency in the state by being physically present in the state with the intent to remain in the state indefinitely and to make a home in the state.

(b) A person demonstrates the intent required under (a) of this section

(1) by maintaining a principal place of abode in the state for at least 30 days or for a longer period if a longer period is required by law or regulation; and

(2) by providing other proof of intent as may be required by law or regulation, which may include proof that the person is not claiming residency outside the state or obtaining benefits under a claim of residency outside the state.

(c) A person who establishes residency in the state remains a resident during an absence from the state unless during the absence the person establishes or claims residency in another state.

8:44:33 AM

REPRESENTATIVE EDGMON noted that if the PFD data base is used there may be a conflict.

8:45:05 AM

COMMISSIONER LEDOUX explained that a student who resides in Alaska for 30 days, and graduates from a program of choice, would be eligible. However, the law provides the minimum framework, and indicates that this can be modified through regulation.

8:45:34 AM

REPRESENTATIVE EDGMON affirmed the inference that the PFD data base would not be utilized for establishing residency.

COMMISSIONER LEDOUX concurred.

[8:45:54 AM](#)

REPRESENTATIVE P. WILSON provided a scenario of a student relocating to Alaska for the final 30 days of high school. She pondered whether this would satisfy the residency and graduation requirements.

COMMISSIONER LEDOUX answered yes, and pointed out that the state board of education can modify the law should this become an issue.

CHAIR SEATON theorized that a student may graduate from a home school program Outside, transfer to Alaska and satisfy the ACT and other requirements, and qualify for the GPS. The program is being designed to be flexible, which is important, however, the parameters must be clear to disallow possible abuse.

COMMISSIONER LEDOUX opined that it would be uncommon for either the of the aforementioned scenarios to occur, however he offered to convene with the Assistant Attorney General to assure that appropriate preventative language is included.

[8:49:56 AM](#)

REPRESENTATIVE MUNOZ returned to the residency requirements, and suggested that the University of Alaska (UA) policy could provide a model.

[8:50:26 AM](#)

CHAIR SEATON requested an analysis for how this is going to interact with the university system, private universities, or other certificated programs in Alaska, i.e. Alaska Vocational Technical Center (AVTEC) and the resident programs.

[8:50:54 AM](#)

REPRESENTATIVE GARDNER interjected that when a student is enrolled, whose parents are not a resident, tuition is required to be paid to the enrolling district. She returned to the question of military families, and described a scenario of a child who is on track to receive a GPS award, but the family transfers out-of-state in the last semester of school. Another possibility is that of a child who graduates, receives an award,

and the family transfers. In that case, she surmised the student would remain in the state and attend school, and asked what the military exemption would be for children under either of these situations.

COMMISSIONER LEDOUX agreed to provide a written response.

REPRESENTATIVE GARDNER opined that graduation within the state should be a firm, unqualified requirement, without exemption.

CHAIR SEATON underscored the need to clarify the intent of the graduation aspect. Additionally, he asked whether the extension of time applies to qualifying for, or utilization of, an award.

COMMISSIONER LEDOUX directed attention to paragraph (3) [page 4, line 31], and the language that allows a six year extension for a qualified student who defers for military service.

[8:54:31 AM](#)

REPRESENTATIVE EDGMON inquired what the anticipated number of awards will be, based on an initial \$400 million investment that will garner approximately \$20 million in annual earnings, to be distributed in \$3,000 increments.

COMMISSIONER LEDOUX testified that a model exists based on the Hathaway program in Wyoming. The model indicates that roughly 6,000 students are expected to be funded, depending on the categories awarded; the spreadsheet will be provided to the committee.

[8:56:28 AM](#)

REPRESENTATIVE EDGMON questioned whether the entire \$20 million will be awarded each year, and suggested extending the opportunity to students who have been out of the system for six months or a year.

COMMISSIONER LEDOUX pointed out that a qualified student could attend school out-of-state to attain a four year degree, without losing their eligibility, and return to Alaska for graduate studies.

[8:57:59 AM](#)

COMMISSIONER LEDOUX turned to page 5, line 7, and read the disqualifiers [original punctuation provided]:

(b) A student is not qualified to receive a governor's performance scholarship if the person (1) has not complied with the military service registration imposed under 50 U.S.C. App. 453 (Military Selective Service Act), if those requirements were applicable to the student; (2) is currently in default or owes a refund on a federal financial aid loan under the federal guaranteed student loan program or financial aid awarded under this chapter; or (3) has been convicted of a felony in the state or another jurisdiction and has not qualified for a waiver under standards adopted by the department.

[8:58:55 AM](#)

CHAIR SEATON stated his understanding that a qualified student would not be required to be enrolled as a full time student at a post secondary program, to retain their eligibility for six years.

COMMISSIONER LEDOUX concurred and said that a student has six years of eligibility, and within that six years are eight semesters of funded scholarship. A qualified student could remain out of state for five years, without educational pursuit, and still have a year to return to Alaska and utilize the award.

CHAIR SEATON reported that data indicates a higher percentage of college graduation by those who attend college directly following high school graduation. A break in educational continuity appears to have negative consequences for attaining a degree.

[9:00:33 AM](#)

REPRESENTATIVE P. WILSON directed attention to page 5, line 10, and asked whether the Military Selective Service Act cited refers to a dishonorable discharge.

COMMISSIONER LEDOUX responded that it means a student has neglected the federal requirement to register for the draft.

CHAIR SEATON suggested registration may be a gender specific requirement.

[9:01:15 AM](#)

COMMISSIONER LEDOUX continued on page 5, line 17, with proposed AS 14.43.820, regarding eligibility for an academic scholarship. The core curriculum and GPA is established in this section. He stressed that the GPA requirements are based on a rigorous course of study. In response to Chair Seaton, he provided the GPA standards: A = 3.5 GPA or above, B= 3.0-3.49, C= 2.5-3.0.

[9:03:24 AM](#)

REPRESENTATIVE MUNOZ asked whether the UA requires SAT/ACT scores.

COMMISSIONER LEDOUX responded affirmatively, however, no minimum score is required. He offered to provide a copy of the

CHAIR SEATON interjected that the ACCUPLACER is another assessment used in the UA system, and asked if requirements vary by campus.

COMMISSIONER LEDOUX indicated that the law stipulates an SAT, ACT, or an exam approved by the university, which could include ACCUPLACER.

[9:04:16 AM](#)

REPRESENTATIVE MUNOZ inquired how, without minimum requirements from the UA, the criteria will be established comparable to other universities.

COMMISSIONER LEDOUX explained that the State Board of Education will set the standards. It will be important to approach this with caution, he said, due to the misuse of standardized assessments, and cultural biases that may exist in tests. The board can change regulation more expeditiously than changing law; hence it is prudent to not include score requirements in statute. He underscored that the GPS focuses on rigor, and preparation for success in college, or vocational training. Care will be taken to not create barriers with assessment requirements that are not entirely germane for Alaska.

[9:06:25 AM](#)

REPRESENTATIVE GARDNER queried about the department's confidence level that implementing this program will provide a fair opportunity for every student to receive the rigorous classes necessary to qualify.

COMMISSIONER LEDOUX replied that it should not be assumed that due to a student's locale they will not have the opportunity to receive the education they deserve. Young people around the state dream of attending college, and the resources exist to provide the possibility. Every community provides a different challenge or opportunity, and, he opined, with distance resources, and flexibility, the courses can be delivered. It is a challenge for the students and the districts alike.

[9:09:41 AM](#)

REPRESENTATIVE GARDNER agreed that every child should be provided a path to achieve their dreams, and stressed the importance of planting the seed for a student who otherwise would not consider attending college a possibility. However, she maintained her concern to query further about the availability for every student to take the required classes. She asked will it be possible for every student in the Bush to take four years of math, for instance.

COMMISSIONER LEDOUX stated his belief that this will be possible, particularly via the state's distance program. Schools that only provide two years of math today, are being challenged by the department to step up to the plate.

REPRESENTATIVE GARDNER maintained concern that some communities may not be equipped to take advantage of what the state has to offer.

COMMISSIONER LEDOUX pointed out that this is a reform bill, which will affect change for communities across the state. There are students in urban Alaska who are not being challenged, and this program is an invitation for every child in the state to achieve. To a follow-up question he said that students are not required to take standardized tests in regional hubs, as they are proctored exams, which every school is capable administering.

[9:12:52 AM](#)

COMMISSIONER LEDOUX turned to page 6, line 3, to continue with the programmatic standards of eligibility requirements: (4) enrollment in a course study at a qualified university or college in this state that is intended to result in the award of a certificate or degree; and (5) a process through which a student who is no longer eligible can regain eligibility. He stated that a student will be expected to maintain a certain GPA

to retain their GPS award, however, if a student has a lapse in their GPA, they can regain status and recoup their award.

CHAIR SEATON asked for the criteria that results in loss of eligibility.

COMMISSIONER LEDOUX said that it will be provided to the committee. The intent is to use the standards established by the UA Honor's program.

9:14:40 AM

COMMISSIONER LEDOUX continuing with Section 4, page 6, line 7, he read [original punctuation provided]:

(6) a process through which a home-schooled or private-schooled student may submit evidence to the qualified university or college that establishes the equivalent of the high school diploma, grade-point average, and core academic curriculum for public school students.

COMMISSIONER LEDOUX noted that further information will be provided to the committee regarding this paragraph.

9:15:05 AM

COMMISSIONER LEDOUX addressed the next proposed statute titled "Eligibility for a career and technical school scholarship." He pointed out that the class requirements, and format, are the same as the academic track, however, course options may vary. The department does not intend to require every student to take calculus, for example, but four years of math will be required.

9:15:49 AM

REPRESENTATIVE P. WILSON suggested that small schools may only employ one math teacher, and asked whether it is plausible to expect one teacher to provide four years of math.

COMMISSIONER LEDOUX concurred that it may be difficult for one teacher to provide a broad spectrum of learning, in any field; however, through distance learning alternatives, it should be possible

9:16:47 AM

CHAIR SEATON returned to page 6, line 7, to revisit paragraph (6). He asked whether the stipulated requirement for an equivalent of a high school diploma will include a GED certificate. The UA system administers GED testing and distributes these certificates to a number of students. He expressed concern that a dichotomy exists between the university standards and the GPS requirements.

COMMISSIONER LEDOUX said the analysis will be provided to the committee, and that it is not the intent of this bill to use a GED certificate as a pathway for attaining a GPS award.

[9:18:45 AM](#)

REPRESENTATIVE EDGMON read from paragraph (6), page 6, line 8: "qualified university or college that establishes the equivalent of [the] high school diploma ...", and asked whether the term "college" includes merit based career and technical scholarships.

COMMISSIONER LEDOUX stipulated that section 4 only addresses academic scholarships to be awarded for attendance to a college or university.

[9:19:22 AM](#)

REPRESENTATIVE EDGMON asked about the definition of "equivalent of a high school diploma," surmising that it is defined elsewhere, which precludes the necessity to include it in this section.

COMMISSIONER LEDOUX said that is correct.

CHAIR SEATON interjected that the definition will be included in the requested analysis. Additionally, he asked for an extrapolation of the projected numbers if consideration were given to the total GED certificates issued each year by the university.

[9:21:14 AM](#)

COMMISSIONER LEDOUX reiterated that the programmatic standards for eligibility are identical for the career and technical school scholarships as has been stated for the academic track. He pointed out that the career and technical schools will be certified by the Department of Labor and Workforce Development (DLWD), in dialogue with EED.

[9:22:09 AM](#)

REPRESENTATIVE EDGMON suggested that the career and technical school qualifications appear to be overtly rigorous, from a practical standpoint, for someone pursuing a career as a mechanic or beautician.

COMMISSIONER LEDOUX said that students generally complete math in their first two years of high school, and as a graduate/college entrant, find these skills dulled. Technical math courses will be developed that will include applied math, as not all fourth year math students are expected to take calculus. Math and science is important, he stressed, and reading technical information calls for this type of rigor.

[9:24:57 AM](#)

CHAIR SEATON asked what the difference in award would be for a student with a 3.5 GPA; what differentiates the academic versus career and technical awards.

COMMISSIONER LEDOUX explained that a career and technical scholarship provides one level of award: up to \$3,000 for two years. The Silver, Gold, and Platinum awards are intended for students expecting to enroll at a university or accredited college, where as the career technical scholarships are for use at a DOLWD approved training institute. A student could certainly qualify for the highest award level, but choose to attend a technical institute.

[9:27:13 AM](#)

CHAIR SEATON observed there is a matrix for the two paths that may be chosen, and he clarified that a student qualified for a Gold level academic scholarship may choose to apply it to a vocational training institution.

COMMISSIONER LEDOUX said absolutely.

[9:28:04 AM](#)

REPRESENTATIVE MUNOZ pointed out the disparity of cost involved to earn a four year degree attending a university versus a technical school, and questioned the fairness.

CHAIR SEATON requested a written response from the department.

[9:29:21 AM](#)

COMMISSIONER LEDOUX continued on page 7, line 4, "Maximum awards and allowable uses." and read [original punctuation provided]:

(1) for the merit-based academic scholarship, three tiers of scholarship financing awards; the highest tier of award per semester must be equal to the cost of approved tuition at the University of Alaska in school year 2010 through 2011 for a student taking 15 credits, and require very high academic achievement; the second tier must be 75 percent of the highest tier and require high academic achievement; the third tier must be 50 percent of the highest tier and require moderate academic achievement; (2) for the merit-based career and technical scholarship, the award must be the actual cost of the qualified career and technical school attended by the student, not to exceed \$3,000 per school year;

[9:30:06 AM](#)

CHAIR SEATON asked if the all tiers have a 15 credit requirement.

COMMISSIONER LEDOUX said yes.

[9:31:12 AM](#)

REPRESENTATIVE EDGMON inquired why the rates are tied to specific tuition rates, 2010-2011, given the probability for fluctuation.

COMMISSIONER LEDOUX stated that the intent was to ensure that the cost of the program, or draw on the account, is not based on a Board of Regents decision.

CHAIR SEATON indicated that the requirement for 15 credits will be repositioned in the section to provide clarity that it applies to all tiers.

REPRESENTATIVE GARDNER reported that she did not read this as a requirement for a student to carry 15 credits, but as a means for determining the cost of tuition for 15 credits. Previous hearings have revealed that, in systems where the universities can independently raise tuition, a scholarship that is not

pegged to a certain amount of money has the unintended consequence of encouraging universities to dramatically increase their tuition.

CHAIR SEATON noted the difference and indicated that, using the 15 credit reference for that purpose, there is not a minimum credit requirement contained in the section, although there is mention of a part-time student.

COMMISSIONER LEDOUX explained that the university charges by credit hours. A student taking a minimum of 12 credit hours is considered full-time. A cap was placed at 15 credit, for the purposes of this scholarship. He pointed out that many Bachelor of Arts degrees require 130 credit hours, leaving a 10 credit gap, if a student takes 15 credit hours for 4 years.

[9:34:34 AM](#)

REPRESENTATIVE P. WILSON called attention to page 7, lines 13-15, and said it appears unfair to not exceed the \$3,000 per year for the career and technical awards, when the academic scholarships have varying tiers, and some vocational institutions have tuitions rivaling universities.

COMMISSIONER LEDOUX reminded the committee that a spreadsheet will be prepared, as previously requested

[9:35:14 AM](#)

COMMISSIONER LEDOUX began again with page 7, line 19, and read: "(b) A part-time student who receives a merit-based academic scholarship and is enrolled on at least a half-time basis is eligible for an award on a pro rata basis." He said this will allow students to attend school on a part-time basis and maintain their award status.

CHAIR SEATON requested the definition of a part-time student.

COMMISSIONER LEDOUX indicated that the definition will be provided, stating that anything under 12 credits is usually the standard.

[9:36:18 AM](#)

COMMISSIONER LEDOUX returning to page 7, line 25, read [original punctuation provided]:

(d) Subject to AS 14.43.815(a)(3), a student receiving a merit-based academic scholarship may remain eligible for up to eight semesters of enrollment at a qualified university or college, which may include graduate courses. A student receiving a merit-based career and technical scholarship may remain eligible for two calendar years of attendance at a qualified career and technical school. A student may not receive both an academic and a career and technical scholarship.

9:36:49 AM

CHAIR SEATON returned to page 7, line 19, and asked what defines part-time.

COMMISSIONER LEDOUX said the information will be provided to the committee.

9:37:43 AM

REPRESENTATIVE MUNOZ addressed page 7, line 8, and suggested the dates established, UA tuition for 2010-2011, may need to be amended, assuming the program moves forward.

CHAIR SEATON reminded the committee that the idea is to set a dollar amount, because there are incentives for institutions to abuse what could be considered a windfall from the state, which has happened in at least one other state. He agreed that consideration of a dollar amount, to be inserted instead, would not be out of order.

9:39:26 AM

COMMISSIONER LEDOUX went on to page 8, line 4, "Programmatic standards." He read [original punctuation provided]:

(a) Subject to (b) of this section, the department shall establish programmatic standards for the program. (b) The department shall establish a make-up procedure or alternative pathway for students who are not eligible for a scholarship to make up a deficit by alternative means if the deficit was caused by circumstances that would make it unfair not to allow the student to make up the deficit. The department may not waive a requirement and shall require the student to achieve a result comparable to that required of other students. The decision of the

department regarding a student's eligibility for alternative means is final. In determining circumstances in which the student may pursue alternative means, the department shall consider the fairness to students who have met the requirements and the need to promote the goals of the program. Attendance at a high school outside of the state is not a circumstance in which fairness requires that a student be allowed to pursue alternative means to qualify for a scholarship. Circumstances in which the department may allow a student to pursue alternative means to qualify for a scholarship include the following: (1) the required curriculum was not reasonably available to the student because the student attended a small and remote high school in the state;(2) the deficit was caused by rare and unusual circumstances outside the control of the student.

[9:41:18 AM](#)

COMMISSIONER LEDOUX stated his belief that alternative pathways will be necessary for certain students. Thus, a student can apply to the office of the commissioner for a waiver to receive an independent plan for fulfilling the requirements, and enabling them to take advantage of the program. He stressed the need to provide this flexibility for students, and the means for the department to respond. He pointed out that paragraph (2) [page 8, line 21] is a catch-all clause, because it is impossible to predict circumstances.

[9:44:40 AM](#)

REPRESENTATIVE GARDNER remembered discussion around the possibility for a student to retake an SAT, ACT, or other qualifying exam, at their expense, if they felt they had an off day and could do better. She asked if language was included to allow for that circumstance, or would it come under paragraph (2) with additional language.

COMMISSIONER LEDOUX opined that it is covered in the language of paragraph (2), as are any number of unforeseeable circumstances. The clause is to provide an opportunity for full consideration and a level of fairness, he said.

[9:46:19 AM](#)

REPRESENTATIVE EDGMON agreed that flexibility is a key piece to making the concept of this program work in all areas of the state. He questioned the wisdom of the broad language, versus providing specific stipulations.

COMMISSIONER LEDOUX cautioned that specific language could preclude some circumstances. The language is broad to allow for any scenario, while still being required to meet the standards required. An individual's path may be different than what is envisioned for the majority of students, but the goal remains the same.

CHAIR SEATON recognized that the committee can indicate specific language, if deemed appropriate.

REPRESENTATIVE EDGMON concurred that the language must not be hindering, however, establishing a system in the framework of the bill may be helpful. He theorized that if 100 students a year were applying to the commissioner's office for a waiver, it could prove problematic, and perhaps it would be better handled through a designated panel.

[9:48:55 AM](#)

CHAIR SEATON asked if whether paragraph (2), includes special education circumstances. He noted that this could cause a number of waiver request.

COMMISSIONER LEDOUX indicated that the responsibilities required under special education law will be provided to the committee.

[9:50:50 AM](#)

REPRESENTATIVE BUCH recalled the commissioner's previous statement to "probably create a board," and he suggested the department submit a design that would illustrate his statement.

COMMISSIONER LEDOUX agreed, and said that the comments of Representative Edgmon are well taken. Specifics will be added and brought back to the committee.

[9:51:32 AM](#)

REPRESENTATIVE MUNOZ inquired whether alternative pathway concepts will be brought as options to students early in their high school career, possibly ninth grade, or does it only apply to post graduation.

COMMISSIONER LEDOUX explained that the regulations to support the program may require five year plans for students. It will be important to begin early to invite, and educate, children and their families about attaining a GPS award. The alternative pathway is not intended to allow less rigor, but rather to recognize that one path does not fit everyone's situation.

[9:54:36 AM](#)

COMMISSIONER LEDOUX moved to page 8, line 23, and read [original punctuation provided]:

(a) The following institutions are qualified postsecondary institutions: (1) a university or college physically located in the state that is (A) authorized to operate in the state under AS 14.48.020, or exempt from authorization under AS 14.48.030(b)(1); and (B) accredited by a regional accreditation association;

[9:55:11 AM](#)

REPRESENTATIVE P. WILSON said, "On lines 26 and 27 it says authorized to operate in the state under this statute, ... but then it says exempt from authorization," and asked to what that would apply.

[9:55:24 AM](#)

CHAIR SEATON directed the department to provide that information to the committee. He said another question is the language [page 8, line 25] which stipulates "physically located in the state." An on-line virtual school, located outside of Alaska would not qualify, he surmised.

COMMISSIONER LEDOUX said that is correct.

[9:56:06 AM](#)

COMMISSIONER LEDOUX, continuing on pages 8 and 9, line 29-31 and 1-16 respectively, read paragraph (2) and paraphrased from subsection (b), which read [original punctuation provided]:

(2) a career and technical school program physically located in the state that has been included on a list of certified career and technical school programs

received from the Department of Labor and Workforce Development; the commission shall publish the list on or before September 1 of the year preceding enrollment.(b) The Department of Labor and Workforce Development shall, in consultation with the Department of Education and Early Development, adopt regulations under AS 44.62 establishing criteria under which the Department of Labor and Workforce Development shall certify career and technical school programs in the state as eligible to participate in the career and technical school scholarship program. The criteria to be considered under this subsection include the following: (1) the quality of the job-training program offered by the career and technical school; (2) the employability of a graduate of the program, including whether the program results in a certificate or license that is recognized by the industry for which the training prepares the student; (3) whether jobs in the industry for which the training prepares the student are available or expected to be available in the future in the state; (4) other criteria established by the Department of Labor and Workforce Development in regulation.

COMMISSIONER LEDOUX underscored that the intent is for EED and DLWD to work together and ensure that qualifying schools deliver what the state, and students, expect.

[9:56:54 AM](#)

REPRESENTATIVE BUCH queried what form that partnership will take; an MOU (memo of understanding) perhaps.

COMMISSIONER LEDOUX understands that this requirement is stipulated in statute, negating then need for an MOU.

CHAIR SEATON clarified that this establishes a statutory requirement for consultation between the two departments on development of the criteria. He asked whether apprentice programs are included or eliminated.

COMMISSIONER LEDOUX said an apprenticeship will not be eliminated if it is an approved program. He conceded that the question has not previously been posed, and offered to bring further information to the committee on how apprenticeships will be handled and whether the term "school program" is appropriate for paragraph (2).

9:59:52 AM

COMMISSIONER LEDOUX referred to page 9, line 17 (c) and read [original punctuation provided]:

(c) A postsecondary institution is physically located in the state if the campus, teachers, classrooms, school administrators, and equipment used to provide the education to the students are physically present in the state. Use of virtual, electronic, or online materials by teachers in the state does not disqualify a postsecondary institution even if the materials are generated outside the state. However, a correspondence, virtual, electronic, or online program that is administered from outside the state is not physically located in the state even if the program is delivered by teachers or equipment in the state.

10:00:30 AM

COMMISSIONER LEDOUX continued to Sec. 14.43.840 [page 9, line 25], stating that this deals with the application of the award and the role of the [postsecondary] commission. He specifically noted the language in subsection (b), which reads:

Payment of a scholarship is subject to appropriation. If insufficient funds are appropriated to pay all eligible scholarships, the commission shall pay existing awards on a pro rata basis.

10:01:03 AM

REPRESENTATIVE EDGMON indicated that this is an important, sleeper provision of the bill.

COMMISSIONER LEDOUX agreed, and said the contract allows for six years of eligibility, and that must be kept in mind when appropriating funds.

10:01:52 AM

REPRESENTATIVE P. WILSON concurred that this will be a promise made to students who are working hard to qualify, and it would be devastating to not provide funding.

CHAIR SEATON said if anyone has a different means to address this, an amendment would be welcomed. He then stated that HB 297 would be held for further consideration.

[10:03:51 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Education Standing Committee meeting was adjourned at 10:04 a.m.