

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version SCS CSHB 104(FIN)
 Fiscal Note Number 9
 (S) Publish Date 3/30/12

Identifier (file name) HB104-EED-TLS-11-29-11 Dept. Affected Education & Early Development
 Title "An Act renaming the Alaska performance scholarship and relating to the scholarship and tax credits..." Appropriation Education Support Services
 Allocation Executive Administration
 Sponsor House Rules by Request of the Governor
 Requester Senate Finance Committee OMB Component Number 2736

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
			FY14	FY15	FY16	FY17	FY18
OPERATING EXPENDITURES	FY13	FY13	FY14	FY15	FY16	FY17	FY18
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits	0.0		0.0	0.0	0.0	0.0	0.0
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002	Federal Receipts						
1003	GF Match						
1004	GF	0.0	0.0	0.0	0.0	0.0	0.0
1005	GF/Prgm (DGF)						
1037	GF/MH (UGF)						
1178	temp code (UGF)						
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS

Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES

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Estimated SUPPLEMENTAL (FY12) operating costs _____ (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

This fiscal note was updated to reflect current fiscal information.

Prepared by Elizabeth Nudelman, Director
 Division School Finance & Facilities
 Approved by Mike Hanley
Commissioner

Phone 465-8679
 Date/Time 11/29/11 12:00 AM
 Date 12/9/2011

FISCAL NOTE #9

**STATE OF ALASKA
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BILL NO. SCS CSHB 104(FIN)

Analysis

The bill changes the name of the Alaska Merit Scholarship program to the Alaska Performance Scholarship program in the applicable statutes. The bill repeals and reenacts AS 14.43.825(f) which now prohibits the commission from awarding new scholarship applicants if insufficient funds are available to pay existing awards and the existing awards will be prorated. AS 14.43.830 (qualified postsecondary institutions) is amended to include requirements that institutions have advisory programs and provide counseling related to course selection and career choice to incoming student and proved credits that will result in the issuance of a degree or certificate within a customary time period.

The bill will establish a new income account and fund for the Alaska Advantage education grant and Alaska performance scholarship award. The amounts appropriated to the fund may not exceed the greater of \$40 million or an amount when added to the fund balance equals \$160 million. The department is required to distribute one-third of the fund or \$40 million whichever is less. The bill provides transition language so the \$40 million limit may be substituted for the following amounts and fiscal years:

FY2012, \$20,000,000
FY2013, \$30,000,000.

The tax credits allowed in AS 43.20.014(a) would be expanded to include credits for cash contributions accepted for the Alaska performance scholarship investment fund.

The bill changes the name of the Alaska merit scholarship program to the Alaska performance scholarship and leaves the scholarship awards unchanged so there is no fiscal impact to the Department of Education & Early Development.