

**ALASKA STATE LEGISLATURE
HOUSE JUDICIARY STANDING COMMITTEE**

April 22, 2024

1:11 p.m.

MEMBERS PRESENT

Representative Sarah Vance, Chair
Representative Jamie Allard, Vice Chair
Representative Ben Carpenter
Representative Craig Johnson
Representative Andrew Gray
Representative Cliff Groh

MEMBERS ABSENT

Representative Jesse Sumner

COMMITTEE CALENDAR

HOUSE BILL NO. 163

"An Act creating the FAFSA raffle fund; relating to the definition of 'gambling'; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 163

SHORT TITLE: FAFSA RAFFLE

SPONSOR(S): REPRESENTATIVE(S) HIMSCHOOT

04/14/23	(H)	READ THE FIRST TIME - REFERRALS
04/14/23	(H)	JUD, STA, EDC
04/12/24	(H)	JUD AT 1:00 PM GRUENBERG 120
04/12/24	(H)	<Bill Hearing Canceled>
04/22/24	(H)	JUD AT 1:00 PM GRUENBERG 120

WITNESS REGISTER

REPRESENTATIVE REBECCA HIMSCHOOT

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented the proposed CS for HB 163, Version U.

THATCHER BROUWER, Staff

Representative Rebecca Himschoot
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented the sectional analysis and gave an explanation of changes in the proposed CS for HB 163, Version U, on behalf of Representative Himschoot, prime sponsor.

SONDRA LUNDVICK, Principal
Sitka High School
Sitka, Alaska

POSITION STATEMENT: Gave invited testimony during the hearing on the proposed CS for HB 163, Version U.

SANA EFRID, Executive Director
Alaska Commission on Postsecondary Education
Juneau, Alaska

POSITION STATEMENT: Presented a PowerPoint, entitled "FAFSA Completion in Alaska," during the hearing on the proposed CS for HB 163, Version U.

ACTION NARRATIVE

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CHAIR VANCE called the House Judiciary Standing Committee meeting to order at 1:11 p.m. Representatives Carpenter, C. Johnson, Gray, Groh, and Vance were present at the call to order. Representative Allard arrived as the meeting was in progress.

HB 163-FAFSA RAFFLE

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CHAIR VANCE announced that the only order of business would be HOUSE BILL NO. 163, "An Act creating the FAFSA raffle fund; relating to the definition of 'gambling'; and providing for an effective date."

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REPRESENTATIVE CARPENTER moved to adopt proposed committee substitute (CS) for HB 163, Version 33-LS0628\U, Marx, 4/22/24, as the working document. There being no objection, Version U was before the committee.

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REPRESENTATIVE REBECCA HIMSCHOOT, Alaska State Legislature, Juneau, Alaska, presented HB 163, as the prime sponsor. She paraphrased the sponsor statement [included in the committee packet], which read as follows [original punctuation provided]:

House Bill 163, FAFSA RAFFLE, creates a raffle for first-time filers for the Free Application for Federal Student Aid (FAFSA). Alaska has the lowest FAFSA completion rate in the nation, leaving over \$6,000,000 in student aid on the table annually. The FAFSA is the largest source of postsecondary education funding in the United States, providing more than \$150 billion in student financial aid each year. Filing the FAFSA is an important first step in a postsecondary plan for students, whether it is to pursue career and technical training or a college degree.

To help incentivize Alaskans to complete their FAFSA application, a monthly \$1,000 prize will be offered to first-time FAFSA filers during the open enrollment period October 1 - June 30 each year. Students will also have the opportunity to win one of five \$10,000 prizes when the enrollment period closes. Not having access to the millions of dollars of financial aid results in Alaskans either not pursuing education and career and technical training programs or taking out larger-than-necessary loans to cover the cost of their education.

Without completing the FAFSA application students are severely limited in their ability to access both state and federal financial aid for education. Unfortunately, Alaska high school classes of 2021 and 2022 left over \$12 million just in Pell Grant funding by not completing the FAFSA. Alaska students also need to complete the FAFSA to receive the Alaska Performance Scholarship, Alaska Education Grant, and other Alaska institution-based awards. Low-income students and families cannot access need-based funding without completing the FAFSA. More students completing the FAFSA will lead to more students continuing on to postsecondary education and ultimately result in a more skilled workforce in Alaska.

This bill is designed to increase the number of students who fill out their FAFSA applications so that, in turn, more Alaskans will have the financial support they need to attend college and career and technical training programs. This is especially important given the need in Alaska for a skilled workforce and the declining college enrollment numbers among Alaskans.

REPRESENTATIVE HIMSCHOOT mentioned a recent federal revision to the Free Application for Federal Student Aid (FAFSA) application that should reduce the amount of time it takes to fill out the form. She expressed her hope that the incentive in the bill for Alaskan students, in combination with the federal revision, should increase the number of applicants.

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THATCHER BROUWER, Staff, Representative Rebecca Himschoot, Alaska State Legislature, on behalf of Representative Himschoot, prime sponsor of HB 163, presented the sectional analysis [included in the committee packet], which read as follows [original punctuation provided]:

Section 1: Amends AS 11.66.280 (3) to define the FAFSA raffle as "gambling" in statute.

Section 2: Amends AS 14.42.030(b) to require the Alaska Commission on Postsecondary Education to administer the FAFSA raffle.

Section 3: Amends AS 14.42.030(e) to allow the commission to adopt regulations for the FAFSA raffle and delegates authority to the Executive Director of the commission to administer the raffle.

Section 4: Amends AS 37.14 by adding a new section (AS 37.14.850) which establishes the FAFSA raffle.

- AS 37.14.850(a) Creates FAFSA raffle fund as an account in the general fund and makes the Department of Revenue the fund manager.
- AS 37.14.850(b) Allows a student who is a first-time filer to enter the FAFSA raffle by providing the commission proof that the student

has completed and submitted the FAFSA and entitles a student to one entry into each monthly raffle held during the remaining filing period and one entry into the annual raffle.

- AS 37.14.850(c) Establishes that there will be a drawing at the beginning of each month that follows a month within the FAFSA filing period for \$1,000 and a student may only win once.
- AS 37.14.850(d) Sets a drawing for the five annual prizes of \$10,000 at the beginning of the month that follows the end of the FAFSA filing period.
- AS 37.14.850(e) Allows the commission to reduce the prize amount if there are insufficient funds for the established prizes.
- AS 37.14.850(f) Requires the commission to advertise the raffle.
- AS 37.14.850(g) States that this is not a dedicated fund.
- AS 37.14.850(h) Defines commission, FAFSA, FAFSA filing period, and fund.

Section 3: Establishes October 1, 2024, as the effective date.

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CHAIR VANCE opened invited testimony.

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SONDRA LUNDVICK, Principal, Sitka High School, gave invited testimony during the hearing on Version U. She explained that Sitka High School is constantly looking for ways to give their students more opportunities for post-secondary education. She opined that anything to encourage the completion of the FAFSA application would help demonstrate to families that they can afford post-secondary training.

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SANA EFRID, Executive Director, Alaska Commission on Postsecondary Education (ACPE), presented a PowerPoint presentation, entitled "FAFSA Completion in Alaska" [hard copy included in the committee packet]. She began on slide 3, "Free Application for Federal Student Aid," which read as follows [original punctuation provided]:

- What is the FAFSA? As the first step in the financial aid process, FAFSA is the application students need to complete to gain access to the largest education funding source in the US Federal Student Aid (FSA). Overseen by the US Department of Education - FSA provides more than \$150 BILLION in student financial aid annually.

Completing the FAFSA (studentaid.gov) determines student financial need in connection to a cost of attendance. Submitting the FAFSA increases students' funding options and opportunities to attend a school/trade program and reach their career goals.

MS. EFRID continued to slide 4, "Free Application for Federal Student Aid," which read as follows [original punctuation provided]:

FAFSA is not only for Federal loans. By submitting the FAFSA, students also gain access to:

FEDERAL AID

- Pell Grant
- Supplemental Education Opportunity Grant
- Teach Grant
- Work-Study

NON-FEDERAL AID

- State Aid
- Alaska Education Grant
- Alaska Performance Scholarship
- Institutional/Campus-based aid
- Private & Public Scholarships

Alaska has ranked last or close to last in national FAFSA Completion rates for over a decade.

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MS. EFRID continued on slide 6, "What Gets Left Behind?" Slide 6 read as follows [original punctuation provided]:

- By not completing the FAFSA, Alaska's students lose access to:
 - Alaska Performance Scholarship (up to \$4,755/year)
 - Alaska Education Grant (up to \$4,000/year)
 - Federal Pell Grant (up to \$7,395/year)
- This adds up:
 - $\$4,755 + \$4,000 + \$7,395 = \$16,150$ /year lost by not completing the FAFSA
- Each year, Alaska's high school graduating classes leave \$6-7 MILLION in Federal Pell Grants behind by not completing the FAFSA

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MS. EFRID turned to slides 7-8, "FAFSA Impacts on Alaskans," which read as follows [original punctuation provided]:

FAFSA Impacts on Alaskans

- Alaska FAFSA Completion support & implementation is critical for students
 - Alaska HS Classes of 2022 & 2023 left over \$12M in Pell Grants on the table by not completing the FAFSA
 - Nationally, 92% of seniors who complete FAFSA enroll by the November following graduation vs. 51% who did not complete
 - Without the FAFSA, Alaska's students do not have access to many state and institutional scholarships and grants
- Without access to funding sources through the FAFSA, Alaska's students often follow one of two pathways:
 - Borrow larger sums of money in education loans, at a higher interest rate from private for-profit lenders
 - Do not pursue any kind of postsecondary education and career training
- Alaskans need postsecondary education credentials
 - Alaska has one of the highest percentages of citizens with some college but no degree

- o By 2025, 65% of Alaska's workforce needs will require some kind of postsecondary credential

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MS. EFRID advanced to slides 9-11, "2024-25 FAFSA: What's New?" Slides 10 through 11 read as follows [original punctuation provided]:

2024-25 FAFSA Improvements

- In December 2023, Federal Student Aid (FSA) launched the new 2024-25, incorporating sweeping changes as required by Federal Legislation. Improvements include:

Enhanced Convenience

- Students & Contributors complete the FAFSA by answering approximately 36 questions, compared to over 100 in previous years.
- Direct Data Exchange now allows automatic transfer of tax information to the FAFSA

Provisional Independent Student Status

- Students experiencing specific other/unusual circumstances (specifically defined by FSA) can acquire an initial Provisional Independent Student status in order to complete their FAFSA without a Contributor
- FSA identifies nearly 300,000 homeless/unaccompanied youth can now complete the FAFSA with this Provisional status

School Selection Options

- Students now have opportunity to select up to 20 schools to receive their FAFSA information

2024-25 FAFSA Improvements cont.

- In December 2023, Federal Student Aid (FSA) launched the new 2024-25, incorporating sweeping changes as required by Federal Legislation. Improvements include:

o Reduced Time to Completion

- FAFSA can now be completed in 20-30 minutes for new FAFSA applications and in as little as 10 minutes for FAFSA renewals

- o Student Aid Index (SAI) replaces Estimated Family Contribution (EFC)
 - The SAI is not a dollar amount a student or family is expected to pay/contribute to their education. Instead it is used as an eligibility index for institutions to use to determine and create financial aid packages
- o Increased access to Federal Pell Grant (need-based grant)
 - Approximately 610,000 low income students will receive the Federal Pell Grant
 - Approximately 1.5 million more students will now receive the maximum Pell Grant

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MS. EFRID directed attention to slides 12-14, "Mythbusting [sic]: FAFSA Edition," which read as follows [original punctuation provided]:

Mythbusting [Sic]: FAFSA Edition

- "It takes too long - it's too complicated"
 - o Average FAFSA Completion time for NEW applicants is 30 minutes
 - o FAFSA applications for RENEWAL take an average of 10 minutes to complete
- "The government already has my information, I shouldn't have to send it again"
 - o The Direct Data Exchange (DDX) now does it for you. DDX is utilized to ensure a seamless transfer of information from the IRS to FSA.
- "My family makes too much money, there's no point in filling it out"
 - o Many states and institutions require the FAFSA for grants and scholarships that are not need-based
 - o If a student does not submit the FAFSA they lose the opportunity to qualify for those additional funding sources

Mythbusting [Sic]: FAFSA Edition

- "I haven't filed my taxes yet, so I don't have the information"
 - o The FAFSA utilizes "Prior PriorYear" in terms of tax returns

- "I'm not taking out loans, so I don't need to do it"
 - The FAFSA is not only for loans
 - The FAFSA provides grants, work-study, state & institutional aid (grants & scholarships)
 - By not completing the FAFSA, students lose access to all of these funding sources
- "It makes me take more money than I want or need"
 - A student is not required to accept any part of the Federal student aid package offered
 - Option to select only grants and/or work-study; none, some, or all loans
 - If student loans are selected, no requirement to accept the maximum offered

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MS. EFRID continued to slides 15-17, "Responding to FAFSA Completion Needs," which read as follows [original punctuation provided]:

ACPE FAFSA Completion Resources

Alaska FAFSA Completion Initiative's Purpose: Connecting Alaskans - students, families, schools, counselors, etc. with resources and information necessary to make informed decisions about postsecondary education planning and financing.

- Master the FAFSA Training: ACPE's train-the-trainer style approach teaches partners how to guide students & families through FAFSA Completion. Master the FAFSA is offered every Monday and Thursday from 2-3:30 via Zoom
- Alaska FAFSA Completion One-Stop Website: ACPE's comprehensive site offers Alaskan students, families, educators, and stakeholders FAFSA completion resources including guides, quick sheets, video tutorials, and more.
- One-on-one FAFSA Appointments: Schedule appointments with ACPE's Success Center staff for assistance with FAFSA Completion, postsecondary application & scholarship research, and much more. Appointments are made using the virtual Youcanbook.me Appointment Scheduler

ACPE FAFSA Completion Resources (cont..)

- Funding Your Future (FYF) Presentations: Preparatory presentation includes: Defining financial aid, how it

works, how to apply; How to create a FAFSA Account (required for FAFSA); Grants, scholarships, and loans; WUE (Western Undergraduate Exchange) & Exchange Programs

- Presentations & Events: ACPE staff attend virtually and in-person FAFSA/Financial Aid and/or college & career fairs across Alaska. During these events staff deliver presentations, provide materials, and schedule follow-up appointments.
- Online Resource Library: ACPE materials such as FAFSA Quick-Sheet; APS, AEG, Education Loans ASAP Account info cards, \$mart \$avings Guide are all available for download and/or mailing on the Success Center website.

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REPRESENTATIVE CARPENTER asked whether ACPE is statutorily required to conduct training, create a website, and offer appointments to "sell" FAFSA.

MS. EFRID clarified that FAFSA is not specified in statute; however, the ACPE statutes require education and outreach to Alaskans to enroll and achieve success in post-secondary programs.

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REPRESENTATIVE CARPENTER posited that the ability to fill out a FAFSA form should be a great predictor of success in an educational institution.

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REPRESENTATIVE ALLARD said as a mother who has filled out a FAFSA form, she would never do it again. She asked whether everyone in Alaska is eligible for the FAFSA raffle.

MS. EFRID shared her belief that the raffle would be open to anyone who completes the FAFSA for the first time.

REPRESENTATIVE ALLARD, in agreement with Representative Carpenter, questioned the ability to succeed in post-secondary education if a person cannot complete a 30-minute application. She explained that she took exception to the questions asked on the FAFSA application in relation to privacy. She asked what happens if a parent does not provide the required information.

MS. EFRID said if the parents refuse to fill out their portion of the application, it would not be completed and finalized.

REPRESENTATIVE ALLARD sought to confirm that in order to receive the Alaska Performance Scholarship dollars, a FAFSA form must be completed.

MS. EFRID answered yes, as part of the eligibility requirements.

REPRESENTATIVE ALLARD said, "so not all ... Alaskans will be entitled to participate in this."

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MS. EFRID concluded the presentation by reviewing the completion resources offered by ACPE.

CHAIR VANCE requested a list of the 36 questions on the FAFSA application.

MS. EFRID agreed to follow up with the requested information.

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REPRESENTATIVE GRAY asked why Alaska is "number 51."

MS. EFRID said this is where the "myth busters" [on slide 13-14] come into play. In addition, there are many first-generation students to post-secondary education in Alaska.

REPRESENTATIVE GRAY asked whether data supports the idea that Alaska is predisposed to be the worst in the country.

MS. EFRID explained that Louisiana and Tennessee are ranked one and two because they have invested many resources in supporting students and families. Both states also made the FAFSA a graduation requirement with many exemptions, which significantly increased enrollment.

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REPRESENTATIVE GRAY said he was surprised by that information. He suggested looking at what those states are doing to increase the FAFSA completion rate.

MS. EFRID stated that there was a participant in the FAFSA summit from Louisiana who gave a presentation on how they are increasing completion rates. She noted that the presentation can be found on ACPE's website.

REPRESENTATIVE GRAY asked whether the legislature would need to pass a bill to implement the policies that were enacted by Louisiana and Tennessee.

MS. EFRID said that would be a policy call. She added that ACPE is taking knowledge from other states to help Alaskans understand the importance of FAFSA.

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REPRESENTATIVE CARPENTER asked Ms. Efrid to elaborate on an earlier statement that by 2025, post-secondary credentials would be required.

MS. EFRID said the Alaska Postsecondary Access & Completion Network (AlaskaCAN) is an organization that provides Alaskans with the necessary training to fill jobs in the state. She described the two-fold training that is required to be hired by the businesses and employers in Alaska (through AlaskaCAN). She added that the Department of Labor & Workforce Development (DLWD) is looking at what credentials will be needed in 2025 to be hired by businesses and create a vibrant economy.

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REPRESENTATIVE CARPENTER asked whether ACPE receives federal funds for the promotion of FAFSA.

MS. EFRID answered no, ACPE's funding is from the Alaska Student Loan Corporation receipts and higher education investment funds that are used for the Alaska Performance Scholarship and the Alaska grant.

REPRESENTATIVE CARPENTER said he was the recipient of an ACPE student loan. He asked whether loans are still offered through the state.

MS. EFRID answered yes, the following state loan programs are still available: the student education loan, and the family education loan.

REPRESENTATIVE CARPENTER asked whether eligibility for an ACPE loan is dependent on the completion of a FAFSA application.

MS. EFRID answered yes. She said the purpose of filling out the FAFSA is maximizing and leveraging free federal dollars or other scholarships.

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REPRESENTATIVE GROH said he was struck by the number of committee members whose lives had benefited from education. He shared a personal anecdote about his education and the loan program he received. He emphasized that education creates options for people and applauded ACPE's efforts to make it more available. He said he was proud to co-sponsor this legislation.

REPRESENTATIVE ALLARD remarked, "You're mentioned all through this bill - ACPE is - and so when I ask you questions in reference to the bill, it was a surprise to me that you wouldn't know that answer."

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The committee took a brief at-ease.

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MS. EFRID, in response to a follow up question from Representative Allard, reiterated that everyone who completes the FAFSA for the first time would be eligible. She added that everyone can fill out a FAFSA application and participate in the raffle; however, each person has a personal choice to do so.

REPRESENTATIVE ALLARD asked why she should have faith that ACPE can take this on if Alaska is ranked fiftieth.

MS. EFRID said ACPE's role is to select the winner each month from the recently submitted FAFSA applications because ACPE is the designated higher education organization in Alaska. Furthermore, ACPE is administered in this bill because it has the necessary data. She said she is testifying in support of increasing FAFSA completion, which is part of the commission's strategic plan, and not necessarily here in support of the bill. She reiterated that the commission has supported the goal of increasing FAFSA completion and the bill would be one way to do that.

CHAIR VANCE asked Representative Himschoot to speak to how the raffle would work and what the impact would be.

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REPRESENTATIVE HIMSCHOOT said the raffle is a monthly prize during the open period of FAFSA and \$5,000 and \$10,000 prizes at the end of the open period. She clarified that all names would be entered back in for last prizes.

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REPRESENTATIVE GRAY asked how to best advertise the raffle.

REPRESENTATIVE HIMSCHOOT shared her understanding that ACPE would include it in their outreach.

REPRESENTATIVE GRAY asked about the value of students imagining what they could do with the money.

REPRESENTATIVE HIMSCHOOT noted that page 5, line 14 of the bill addresses advertising. She said the point of the bill is to incentivize and encourage students to think about their next step.

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REPRESENTATIVE GRAY recalled that he hated filling out the FAFSA application; however, he did it because he had to. He said asking younger students to do something unpleasant "is easy to not do" and asked the bill sponsor to speak to that.

REPRESENTATIVE HIMSCHOOT said she was thinking about it as a return on investment (ROI), because an hour or two of invested time could result in up to \$7,000 [in student aid] annually.

CHAIR VANCE asked about page 4, line 23, which states that the fund consists of money appropriated to the fund by the legislature. She asked where the startup money would come from.

REPRESENTATIVE HIMSCHOOT stated that the annual prize amount would be \$62,000. She explained that by making ACPE the administrators of the raffle, a new staff position wouldn't be needed, so the annual prize funding is all that's required. She added that the funding for the annual prize would come from the general fund (GF).

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REPRESENTATIVE C. JOHNSON asked how many other states have a cash incentive to fill out the form.

REPRESENTATIVE HIMSCHOOT said no other state have tried this. She explained that the graduation requirement that was implemented in several states has complications, because if kids don't meet it, they aren't allowed to walk at graduation. She said the idea is to incentivize with a carrot, not a stick.

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REPRESENTATIVE ALLARD inquired about the new fiscal note.

REPRESENTATIVE HIMSCHOOT reiterated that original fiscal note had authorized the Department of Education and Early Developments (DEED) [to administer the raffle]. The change to ACPE came after realizing that the relevant data rests with the commission and removes the necessity for a new staff position, which is reflected in the new fiscal note.

REPRESENTATIVE ALLARD sought to confirm that unless both child and parent fill out the FAFSA form, the child would be ineligible for the raffle.

REPRESENTATIVE HIMSCHOOT stated that if they make the decision to fill out the FAFSA application, they are entered in the raffle.

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REPRESENTATIVE ALLARD questioned the "buy in" for FAFSA.

REPRESENTATIVE HIMSCHOOT said the buy in is the time it takes to fill out the form.

REPRESENTATIVE ALLARD expressed concern that many foster children do not have parents that would fill out this form. She asked how many students are anticipated to complete the FAFSA application.

REPRESENTATIVE HIMSCHOOT said historically, there are about 10,000 high school graduates in Alaska; however, not all graduates would apply. She shared her belief that it would be a miracle to reach 10,000.

REPRESENTATIVE ALLARD said she has a real problem with part of the population being discriminated against, and that she does not encourage gambling to get scholarship money by forcing parents to fill out the FAFSA form with their private information.

REPRESENTATIVE HIMSCHOOT said she was just looking to solve a problem.

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REPRESENTATIVE CARPENTER directed attention to Section 4 on page 4 and asked why the drafters chose the language "shall be appropriated" instead of "may be appropriated" if there isn't any way to force the legislature to appropriate the interest earned. He suggested that the language may run afoul of the constitutional prohibition on dedicated funds.

REPRESENTATIVE HIMSCHOOT directed attention to subsection (f) on page 5, line 15, which states "nothing in this section creates a dedicated fund." She speculated that the language in question is a way to ensure that any interest earned would return to the same source.

REPRESENTATIVE CARPENTER advised that "may" would be more appropriate than "shall."

CHAIR VANCE asked whether it is the bill sponsor's intent for the legislature to have active engagement in the discussion on funding this allocation every year.

REPRESENTATIVE HIMSCHOOT said she is not invested in the answer to that. She shared her belief that subject to appropriation is unavoidable.

REPRESENTATIVE CARPENTER pointed out that because this is an account in the GF, it is also subject to the sweep. He highlighted this as a giant hurdle in the ability to execute the monetary piece of the bill on a consistent basis.

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REPRESENTATIVE C. JOHNSON asked whether the prizes would be prorated based on the amount in the fund.

REPRESENTATIVE HIMSCHOOT referred to page 5, line 11, which states that the commission shall reduce the prizes pro rata if

the amount appropriated to the fund is insufficient to pay the amount of prizes.

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REPRESENTATIVE C. JOHNSON expressed concern about not following through on a promised amount of prize money and likened it to renegeing on a signed contract.

CHAIR VANCE pondered how this would compare to the education raffle with the permanent fund dividend (PFD).

REPRESENTATIVE ALLARD referred to page 4, lines 23-35, and expressed concern that the state would be paying for a gambling program. In addition, she reiterated her concern that kids would be eliminated from the raffle if their parents don't fill out the FAFSA form.

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REPRESENTATIVE GRAY asked whether an Alaska school district could set a graduation requirement without passing a law.

MS. EFRID shared her understanding that Alaska graduation requirements are in statute. She noted that Louisiana's graduation requirements are in statute, whereas Tennessee's are in regulation.

REPRESENTATIVE HIMSCHOOT pointed out that local graduation requirements, such as swimming lessons, can be set. She said the downside of making it a graduation requirement is that it would prohibit people from walking at graduation, and questioned why an individual who wants to work in the fishing industry after graduation would want to complete the FAFSA.

REPRESENTATIVE GRAY stated that there should be teacher involvement and dedicated class time for filling out the FAFSA. In addition, he suggested that there could be an opt-out provision. He shared his belief that there is significant federal aid available for foster kids and said he would hate for them to miss out on the opportunity to qualify. He added that he had the same issue with the inclusion of "gambling" in the title but wanted to find ways to achieve the goal without the hurdles.

REPRESENTATIVE HIMSCHOOT reiterated that the goal is to increase the completion rate.

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MS. EFRID reported that 12 states require FAFSA completion for graduation. She added that there are many ways to waive that requirement with a parent's involvement. She said ACPE is putting resources towards providing services and training to support students that lack support at home.

REPRESENTATIVE HIMSCHOOT commented on the Alaska EXCEL program - an organization that works with rural kids to help them learn city skills in addition to career and technical skills, which involves FAFSA completion.

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CHAIR VANCE opened public testimony on HB 163; after ascertaining that no one wished to testify, she closed public testimony.

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REPRESENTATIVE CARPENTER drew a comparison to the PFD education raffle. He expressed concern about the state's liability if there were an inability to fund the raffle and suggested that adding the language "subject to appropriation" would fix that "legal question mark;" nonetheless, there would still be an expectation from the raffle participants.

REPRESENTATIVE HIMSCHOOT responded that the raffle would only be a successful incentive if it's reliably funded.

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REPRESENTATIVE C. JOHNSON suggested making the FAFSA a prerequisite to the SAT test.

CHAIR VANCE announced that Version U would be held over.

[2:37:40 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Judiciary Standing Committee meeting was adjourned at 2:37 p.m.