

SENATE FINANCE COMMITTEE
March 14, 2024
1:44 p.m.

[1:44:08 PM](#)

CALL TO ORDER

Co-Chair Olson called the Senate Finance Committee meeting to order at 1:44 p.m.

MEMBERS PRESENT

Senator Donny Olson, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Click Bishop
Senator Jesse Kiehl
Senator Kelly Merrick

MEMBERS ABSENT

Senator Lyman Hoffman, Co-Chair
Senator David Wilson

ALSO PRESENT

Representative Justin Ruffridge, Sponsor; Bud Sexton, Staff, Representative Ruffridge; Sana Efird, Executive Director, Alaska Commission on Postsecondary Education.

PRESENT VIA TELECONFERENCE

Dr. Paul Layer, Vice President for Academics, Students, and Research, University of Alaska.

SUMMARY

CSHB 148(FIN)

AK PERFORMANCE SCHOLARSHIP; ELIGIBILITY

CSHB 148(FIN) was HEARD and HELD in committee for further consideration.

#hb148

CS FOR HOUSE BILL NO. 148(FIN)

"An Act relating to the Alaska performance scholarship program."

1:45:40 PM

REPRESENTATIVE JUSTIN RUFFRIDGE, SPONSOR, introduced himself and his family. He briefly discussed the bill.

1:48:28 PM

BUD SEXTON, STAFF, REPRESENTATIVE RUFFRIDGE, discussed the presentation, "House Education Committee Bill: SB 148" (copy on file).

Mr. Sexton addressed slide 2, "APS Statistics":

2011-Alaska Performance Scholarship was first offered
30,695- Total number of students who have earned the
APS
12,253- Total Number of students who have used the APS
More than \$112 million awarded to students

Mr. Sexton pointed to slide 3, "HB 148 addresses identified problems":

Notification issues
Financial barriers
APS trends
Testing barriers
APS eligibility challenges
"Step-up" provision
CTE pathways

Mr. Sexton looked at slide 4, "Notification":

Problem: students are not aware of the APS eligibility soon enough in order to influence their college decision to stay in Alaska for their postsecondary education.

30 percent- percentage of students who did not use the APS stated it was because they had already made the decision to attend school outside Alaska when they learned of their APS eligibility.

Solution: HB 148 adds several new dates.

Mr. Sexton discussed slide 5, "HB 148 adds no date 1":

Notification of the Alaska Performance Scholarship in the ninth and tenth grades.

Goal is to create higher awareness of the Alaska Performance Scholarship award levels and associated requirement and pathways.

Mr. Sexton displayed slide 6, "HB 148 adds new date 2":

18 months before graduation (previously 6 months)

The Alaska Commission of Postsecondary Education (ACPE) shall award an APS to a student:

Has completed, is enrolled in, or plans to enroll in coursework to earn and Alaska Performance Scholarship.

Mr. Sexton discussed slide 7, "HB 148 adds new date 3":

By December 31

The date when a district shall notify students who are enrolled in the junior year of the requirements, they need to complete for the Alaska Performance Scholarship.

[1:51:41 PM](#)

Mr. Sexton pointed to slide 8, "HB 148 adds new date 4":

August 15 (previously September 30)

Final verification has been made and the commission shall make notification to a senior who has graduated and they have met all of the requirements for an Alaska Performance Scholarship.

Mr. Sexton looked at slide 9, "Cost of attendance changes 1010-2023."

Mr. Sexton addressed slide 10, "APS awards":

Issue: The Alaska Performance Scholarship awards have remained the same since inception of the program in

2011. Tuition, books, fee, etc. have increased over the past 12 years.

Mr. Sexton discussed slide 11, "APS use decreasing":

The percentage of students using the APS has steadily decreased since 2011, with only 17 percent of students in 2023 eligible (lowest since program inception).

Mr. Sexton pointed to slide 12, "APS Trend: Contributing factors":

2016 change in state policy

2016 is the last year the state required and paid for high school students to take a standardized test.

Fiscal influences decisions

The 2018 veto of the APS (later reversed) created uncertainty for graduates and their families in the college decision-making process. Additional funding questions over the last several years contribute to uncertainty.

Standardized tests

Access to test locations, costs, and difficulty of meeting required cut scores.

[1:54:27 PM](#)

Mr. Sexton looked at slide 13, "Standardized Testing":

3,000

The number of students taking the SAT or ACT in 2017

A decrease from 4,100 students in 2016 (state stopped paying for test)

National change

A 2020 University of Chicago study found grades were five times better than the ACT at predicting college success.

Research finds test scores disproportionately serve as barriers for underrepresented minorities, low-income students, and English language learners.

Mr. Sexton highlighted slide 14, "Barriers to Eligibility."

Mr. Sexton discussed slide 15, "Test case: no standardized testing":

During the COVID-19 pandemic, standardized tests were discontinued for 2020 graduates.

Mr. Sexton looked at slide 16, "Change in requirements":

CS version gives students the option of choosing either their GPA or testing results for initial eligibility.

Mr. Sexton pointed to slide 17, "Step-up provision":

If students increase their GPA (or equivalent) while in college they can increase their APS award level.

[1:58:21 PM](#)

Mr. Sexton discussed slide 18, "APS encourages college graduates."

Mr. Sexton displayed slide 19, "Extends eligibility":

HB 148 extends the time period to use the APS from six years to eight years.

Students can only use four years of APS funding during that eight-year time period.

Mr. Sexton pointed to slide 20, "Graduates staying in Alaska."

Mr. Sexton looked at slide 21, "Percent Alaska HS graduates enrolled in PSA immediately following HS graduation":

The percentage of students enrolling in college out of state remains relatively unchanged

The percentage of students enrolling in college in state is decreasing

Mr. Sexton addressed slide 22, "Cumulative count of students: Total, In State Out of State":

Of students attending postsecondary education out-of-state only 35 percent return to Alaska and our workforce

Over the last 3 years, 4,000 to 5,700 fewer Alaska students per year have not pursued college in-state or out-of-state.

Mr. Sexton pointed to slide 23, "CTE + postsecondary schooling":

24 Alaska postsecondary institutions qualify to enroll students with APS

Mr. Sexton looked at slide 24, "Workforce Development":

A study by the Alaska Department of Labor and Workforce Development from the graduating class of 2015, 2016, 2017 measuring the number that are employed six years after graduation.

Mr. Sexton discussed slide 25, "HB 148 benefits":

Notification issues
Financial barriers
APS trends
Testing barriers
APS eligibility challenges
Step-up provision
CTE pathways

[2:03:05 PM](#)

Senator Kiehl wondered whether the sponsor would be open to allowing for part-time students to use the scholarship.

Representative Ruffridge replied in the affirmative.

Mr. Sexton furthered that there was an opportunity for part-time students, but was not currently in the bill.

[2:05:08 PM](#)

Senator Kiehl wondered whether a student in a correspondence school that was not within the district would have access to the scholarship opportunity.

Representative Ruffridge replied in the affirmative, but there were some options that needed to be addressed in the independent homeschooling.

Mr. Sexton furthered that there was a process through the Department of Education and Early Development (DEED) to walk their way through the process.

Senator Merrick requested the "all others" by recipient and institution.

Mr. Sexton agreed to provide that information, and stated that there was a list of recipients by school district.

Co-Chair Olson wondered whether there was a record of those who had completed their degree or certificate.

Mr. Sexton deferred to DEED.

[2:11:17 PM](#)

SANA EFIRD, EXECUTIVE DIRECTOR, ALASKA COMMISSION ON POSTSECONDARY EDUCATION, stated that there was no GPA requirement for the Alaska Education Grant, and was needs-based financial aid.

Co-Chair Olson queried the difference in GPA requirement between the Alaska Education Grant and the Alaska Performance Scholarship.

Ms. Efird replied that the scholarship had a GPA requirement based on the tier requirement, and the grant only required that the student be enrolled in a program instate and have a demonstrated financial need.

Co-Chair Olson wondered whether students enrolled in an out-of-state program could qualify for either the grant or the scholarship application.

Ms. Efird replied in the negative.

[2:15:37 PM](#)

Ms. Efird addressed the three fiscal notes associated with the bill.

[2:21:23 PM](#)

Co-Chair Olson wondered whether the department could hold onto the funds for future appropriations.

Ms. Efird stated that the money was only for the scholarship.

Senator Bishop asked about the pay per year for the Work KEYS program before it was eliminated in 2016.

Ms. Efird responded that she would provide that information.

Senator Bishop remarked that he used the data through Work KEYS, because it showed that 25 percent of graduating students go to university and the remaining go into the workforce immediately or train for a trade.

Ms. Efird stated that the bill increased the trade training opportunities for students.

Senator Kiehl asked about the alternate evaluation for independent homeschool students.

Ms. Efird stated that the approvals fell under DEED>

[2:25:59 PM](#)

DR. PAUL LAYER, VICE PRESIDENT FOR ACADEMICS, STUDENTS, AND RESEARCH, UNIVERSITY OF ALASKA (via teleconference), spoke in support of the bill.

[2:29:59 PM](#)

Co-Chair Olson wondered whether the caliber of student had gotten better or worse over the years.

Mr. Layer replied that there were a wide range of students, and noted that scholarship recipients retained and graduated at a high rate.

Co-Chair Olson wondered whether a high school student needed to pay for any college courses they might take while still in high school, and whether the scholarship could pay for those courses.

Ms. Efird replied that the scholarship could not pay for dual enrollment, but some districts paid for the student to attend college level courses.

[2:32:18 PM](#)

Co-Chair Olson surmised that if the funds were not available, then the child could not take the college course.

Ms. Efird stressed that qualifications for the scholarship required completion of the curriculum outlined in the statute, which occurred upon graduation.

CSHB 148(FIN) was HEARD and HELD in committee for further consideration.

#

ADJOURNMENT

[2:33:11 PM](#)

The meeting was adjourned at 2:33 p.m.