

Original Sponsor: Select Committee  
on Education

Offered: 5/18/76  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 899 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to student financial aid; and pro-  
7 viding for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 14.40.776(a) is amended to read:

10 (a) The executive secretary of the committee shall award a tuition  
11 grant to a student in an amount up to the difference between (1) the  
12 cost, in a city where there is both a four-year state university and a  
13 four-year private university or in a city where there is both a two-year  
14 state community college and a two-year private college, for the opera-  
15 tion of the state institution on a full-time student per academic year  
16 basis, and (2) the tuition or fees paid by the student at the state in-  
17 stitution in those locations, but in no case may the amount exceed  
18 \$2,500 plus a cost-of-living adjustment. Subject to the approval of the  
19 committee and to the availability of appropriated funds, the executive  
20 secretary may adjust the maximum grant based on a cost-of-living factor  
21 comparable to that employed in making adjustments to the state employee  
22 pay plan under AS 39.27.015 [\$1,850]. The tuition grant paid to a  
23 [FULL-TIME] student may not be in an amount that would result in a  
24 student paying less in tuition or fees at a private college or university  
25 than would be required for a similar enrollment at the state institution  
26 in the same city. The grant shall [IS TO] be applied by the student  
27 toward his tuition at the private university or college in which he  
28 enrolls.

29 \* Sec. 2. AS 14.40.781(b) is amended to read:

1 (b) The amount of the [MAXIMUM] tuition grant under sec. 776 of  
2 this chapter that may be awarded to a student who is also the recipient  
3 of a federal grant for tuition is computed according to the formula  $G$   
4 equals  $P$  minus  $S$  minus  $F$ , in which

5 (1)  $G$  = the grant awarded [, WHICH IN NO CASE MAY EXCEED  
6 \$1,850];

7 (2)  $P$  = the tuition and fees charged by the private college  
8 or university in which the student is enrolled;

9 (3)  $S$  = the fee or tuition paid by a student at the state  
10 institution in the same city where the private college or university is  
11 located;

12 (4)  $F$  = the amount of any federal grant awarded solely for  
13 tuition or fees the student may receive.

14 \* Sec. 3. AS 14.40.786(b) and (c) are amended to read:

15 (b) Before any funds for tuition grants are disbursed, the commis-  
16 sioner of administration and the executive secretary of the committee  
17 shall assure themselves that at least 55 [65] per cent of the annual  
18 audited total operating revenues of a private university or college in  
19 which students receiving tuition grants are enrolled is derived from the  
20 sources of income other than tuition grants. Determination of the  
21 required 55 [65] per cent revenue to be derived from sources of income  
22 other than tuition grants shall be made by the commissioner and the  
23 executive secretary as of May 1, based on the audit for the immediately  
24 preceding fiscal year.

25 (c) No private university or college in which students receiving  
26 tuition grants are enrolled may grant remission of tuition to any stu-  
27 dent unless at least 55 [65] per cent of its annual audited total oper-  
28 ating revenues is derived from sources of income other than tuition  
29 grants. The 55 [65] per cent revenue required to be derived from

1 sources of income other than tuition grants shall apply as of May 1,  
2 based on the audit for the immediately preceding fiscal year.

3 \* Sec. 4. AS 14.40.791 is amended to read:

4 Sec. 14.40.791. ELIGIBILITY OF STUDENTS. A student may apply for  
5 a grant under sec. 776 of this chapter if

6 (1) he is a resident of Alaska, and

7 (2) he is either

8 (A) accepted for admission, [AS A FULL-TIME OR PART-TIME  
9 STUDENT IN AN ASSOCIATE, BACCALAUREATE, OR GRADUATE DEGREE PROGRAM;  
10 or [(B)] enrolled, as a full-time or part-time student in an associ-  
11 ate, baccalaureate or graduate degree program; or

12 (B) enrolled as a full-time or part-time student in  
13 continuing education courses approved by the executive secretary.

14 \* Sec. 5. AS 14.40.796 is amended to read:

15 Sec. 14.40.796. APPLICATION AND CERTIFICATION. Application for  
16 tuition grants must be submitted to the executive secretary. The appli-  
17 cation deadline for a school year shall be determined by the executive  
18 secretary. The executive secretary may award grants only after the  
19 institution of higher education has certified that the student has  
20 enrolled in a full-time or part-time course of study in an associate,  
21 baccalaureate or graduate degree program or enrolled in continuing  
22 education courses. The executive secretary shall determine the appro-  
23 priate formula for awarding tuition grants to part-time students. He  
24 shall be guided by the provisions of sec. 776 of this chapter in making  
25 that determination: the difference between (1) the cost of operation  
26 for the state institution per semester credit hour and (2) the fee paid  
27 by the student at the state institution per semester credit hour, but  
28 not to exceed an appropriate portion of \$2,500 plus a cost-of-living  
29 adjustment [\$1,850]. The tuition grant paid to a part-time student may

1 not be in an amount that would result in a student paying less in  
2 tuition or fees at a private college or university than would be re-  
3 quired for a similar enrollment at the state institution in the same  
4 city.

5 \* Sec. 6. AS 14.40.796 is amended by adding a new subsection to read:

6 (b) Tuition grants may be awarded to students who are enrolled in  
7 a full-time or part-time course of study that is conducted by a private  
8 college or university either off-campus or on the basis of the student's  
9 full-time or part-time participation in field-based programs.

10 \* Sec. 7. AS 14.40.801(c) is amended to read:

11 (c) All parties that [PRIVATE UNIVERSITIES AND COLLEGES IN WHICH  
12 STUDENTS RECEIVING TUITION GRANTS ARE ENROLLED AND WHICH] are signatory  
13 to a consortium agreement between [WITH THE] University of Alaska and a  
14 private university or college in which students receiving tuition grants  
15 are enrolled must abide by a decision rendered by the commission when  
16 disagreements arise or exist between the parties.

17 \* Sec. 8. This Act takes effect immediately in accordance with AS 01.10.-  
18 070(c).