

Introduced: 4/3/76  
Referred: Judiciary

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 HOUSE CONCURRENT RESOLUTION NO. 124

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 Relating to Alaska Methodist University.

6 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

7 WHEREAS that Alaska Methodist University's financial situation has been  
8 precarious for some years - and that its future is even more uncertain - is  
9 well known; it has been thoroughly documented by legislative studies and  
10 widely reported in the news media; and

11 WHEREAS since 1969 the State of Alaska has sustained AMU through various  
12 forms of financial assistance, either indirectly through grants or loans to  
13 its students or through direct payments to the school; the sum of  
14 \$7,977,314.74 has been infused into AMU, distributed as follows:

15 Contract for services, 1970-71	\$ 828,162.74
16 AMU Nursing Program, since 1969	1,049,900.00
17 Sale of land to University of Alaska, 1972	1,950,000.00
18 Tuition grants, since 1972 (exclusive of	
19 FY 1976)	1,849,252.00
20 Option agreement payment, 1975	2,300,000.00; and

21 WHEREAS the above sums are exclusive of tuition grants awarded during  
22 the current fiscal year and of scholarship loans made to students in atten-  
23 dance at AMU; and

24 WHEREAS some of this state aid may have been paid out in violation of  
25 art. VII, sec. 1, of the Constitution of the State of Alaska; and

26 WHEREAS members of the legislature are disturbed by accounts reported  
27 recently in the news media of the rejection by the AMU Board of Trustees of  
28 the state's request that the option to acquire AMU be extended another two  
29 weeks beyond the March 29, 1976 deadline; and

1 WHEREAS this rejection of the option extension request constitutes, at  
2 best, a discourtesy to the legislature, which has heretofore been sympathetic  
3 to the maintenance of private higher education in the state, and to all  
4 Alaskans in view of the substantial state assistance to AMU over the last  
5 seven years, and, at worst, bad faith on the part of the AMU Trustees; and

6 WHEREAS, while it is likely that through the tuition grant program, un-  
7 questionably the nation's most generous program of its kind, and other forms  
8 of state assistance to AMU, the state probably has received its money's worth  
9 in terms of educational services provided Alaskan students at nominal cost;  
10 nevertheless, recent reports by responsible faculty members indicate that  
11 as a result of the present financial condition of AMU, the uncertainty of  
12 its status beyond June 30, 1976, and the impasse that has developed between  
13 the state and AMU over extension of the option to purchase, the quality of  
14 education at AMU has deteriorated alarmingly; and

15 WHEREAS the faculties of both AMU and the University of Alaska, Anchor-  
16 age, Senior College, in a generous joint statement, have indicated their  
17 willingness to expedite the creation of a four-year institution of higher  
18 education in Anchorage that will be ready to accept students not later than  
19 September, 1976, to ensure a continuity of educational programs for students  
20 enrolled at both schools; and

21 WHEREAS the members of the legislature view the present position of the  
22 AMU Trustees as unrealistic and detrimental to the best interests of higher  
23 education in Alaska, the AMU faculty and staff, and, most importantly,  
24 to the AMU student body;

25 BE IT RESOLVED by the Alaska State Legislature that it condemns the  
26 intransigent, uncooperative attitude of the members of the Board of Trustees  
27 of Alaska Methodist University and, in view of the substantial financial  
28 assistance rendered by the state to AMU, stipulates that, at the time nego-  
29 tiations are completed, the state will consider accepting the real and

1 personal property of Alaska Methodist University into the state's system of  
2 higher education for the sum of \$1.

3 COPIES of this Resolution shall be sent to the Chairman and members of  
4 the Board of Trustees of Alaska Methodist University and to the Alaska  
5 Commission on Postsecondary Education.

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