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Referred: Health, Education &  
Social Services and Finance

1 IN THE HOUSE

BY SUND, NAVARRE, GRUSSENDORF,  
SWACKHAMMER, BROWN AND TAYLOR

2 HOUSE BILL NO. 107

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Alaska Community College  
7 System; and providing for an effective date."

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

9 \* Section 1. PURPOSE. (a) It is the purpose of this Act to establish  
10 community colleges, extension centers, and outreach programs as parts of a  
11 comprehensive statewide system consisting of degree and nondegree programs  
12 of postsecondary and continuing education, established either independently  
13 or in cooperation with the governing bodies of school districts or munic-  
14 ipalities in the state, with an agency of the federal government, or with a  
15 nonprofit corporation or association, to increase the opportunity for  
16 obtaining a postsecondary education in the state.

17 (b) The comprehensive community college statewide system shall in-  
18 clude flexible, versatile programs of postsecondary instruction, counseling  
19 and advising, job placement, and other activities designed to meet the  
20 needs of the area it serves, including but not limited to,

21 (1) courses and curricula that lead to an associate degree or  
22 that enable the student to transfer to an institution of higher education  
23 granting baccalaureate degrees;

24 (2) occupational education including vocational-technical pro-  
25 grams and cooperative education in conjunction with employment in business  
26 and industry that enable the student to develop technical skills in a  
27 chosen trade or occupation and lead either to a degree or a certificate of  
28 completion;

29 (3) general education and public interest courses designed to

1 meet the needs of a community, to enable a person to expand that person's  
2 knowledge, improve the quality of life, or acquire, change or update a  
3 skill that a person lacks or that has become obsolete; and

4 (4) an educational delivery system the principal objective of  
5 which is the outreach of the community colleges through programs of off-  
6 campus study and credit and noncredit courses that may or may not lead to  
7 associate, baccalaureate or advanced degrees.

8 \*Sec. 2. AS 14 is amended by adding a new chapter to read:

9 CHAPTER 41. ALASKA COMMUNITY COLLEGE SYSTEM.

10 ARTICLE 1. GOVERNANCE.

11 Sec. 14.41.010. SYSTEM ESTABLISHED. There is established the  
12 Alaska Community College System.

13 Sec. 14.41.020. BOARD OF TRUSTEES. (a) The system shall be  
14 under the control of a Board of Trustees consisting of seven members  
15 appointed by the governor, subject to confirmation by a majority of  
16 the members of the legislature in joint session.

17 (b) Board members shall be citizens of the United States and  
18 residents of a community where there is a community college, extension  
19 center, or outreach program, for one year before appointment and  
20 during the board member's term of office.

21 (c) Board members shall be appointed as follows:

22 (1) one board member shall be a resident of the First Judi-  
23 cial District;

24 (2) two board members shall be residents of the Third Judi-  
25 cial District;

26 (3) one board member shall be a resident of the Fourth  
27 Judicial District;

28 (4) one board member shall be a resident of the Second  
29 Judicial District;

1           (5) one board member shall be a member of the faculty of a  
2 community college, extension center, or outreach program under the  
3 Alaska Community College System, appointed under AS 14.41.030;

4           (6) one board member shall be a student enrolled in a col-  
5 lege, extension center, or outreach program under the Alaska Community  
6 College System, appointed under AS 14.41.040.

7           Sec. 14.41.030. APPOINTMENT OF FACULTY MEMBER. (a) The faculty  
8 member of the board shall be appointed by the governor from a list of  
9 nominees submitted by the Board of Trustees. The list of nominees  
10 consists of the names of at least three but not more than five full-  
11 time community college, extension center, or outreach program faculty  
12 members. The faculty members shall be nominated from the full-time  
13 faculty of the community colleges, extension centers, and outreach  
14 programs in the manner prescribed by the board by regulation.

15           (b) The faculty member appointed under this section shall, at  
16 the time of nomination, be teaching at least nine credit hours each  
17 semester, and shall have been a teacher within the Alaska Community  
18 College System for at least two academic years.

19           (c) A faculty member appointed under (a) of this section who  
20 fails to maintain full-time faculty status during the faculty member's  
21 term forfeits that office. The governor shall appoint a successor  
22 from among the list of nominees submitted under (a) of this section at  
23 the time of original appointment.

24           Sec. 14.41.040. APPOINTMENT OF STUDENT MEMBER. (a) The student  
25 member of the board shall be appointed by the governor from a list of  
26 nominees consisting of the names of two students from each community  
27 college of the system, and one from each extension center or outreach  
28 program, after an election is held at each college, center, or program  
29 site. The elections shall be conducted under regulations adopted by

1 the board.

2 (b) The student board member appointed under this section must

3 (1) have attended one of the community colleges, an extension  
4 center, or an outreach program as a full-time student for at  
5 least one academic year before appointment; and

6 (2) be enrolled as a full-time student as defined by the  
7 academic regulations of the community colleges, extension centers, or  
8 outreach programs at the time of appointment.

9 (c) A student board member appointed under (a) of this section  
10 who fails to remain enrolled as a full-time student at one of the  
11 community colleges, extension centers, or outreach programs during the  
12 student's term forfeits that office. The governor shall appoint a  
13 successor from among the list of nominees submitted under (a) of this  
14 section at the time of original appointment.

15 Sec. 14.41.050. TERM OF OFFICE; VACANCIES. (a) Except for the  
16 faculty and student board members, members of the Board of Trustees  
17 serve for five-year terms. The terms of the initial appointees shall  
18 be staggered in such a manner that the term of office of at least one  
19 board member expires each year.

20 (b) The term of office of the faculty board member and of the  
21 student board member is two years.

22 (c) Vacancies shall be filled in the same manner as original  
23 appointment.

24 Sec. 14.41.060. OFFICERS OF THE BOARD. A chairperson, vice-  
25 chairperson, secretary, and other officers that the board considers  
26 necessary shall be elected from among the members of the board for a  
27 one-year term. A member of the board may not serve as chairperson for  
28 more than two consecutive one-year terms.

29 Sec. 14.41.070. RULES, VOTES REQUIRED. (a) The board shall

1 prescribe its own rules of procedure.

2 (b) A quorum is a majority of the members of the board. The  
3 votes of the board members shall be recorded, and effective action  
4 requires the affirmative vote of a majority of the board members.

5 (c) A board member may not vote for or on behalf of, or in any  
6 way exercise the vote of, another member of the board on a matter  
7 before the board.

8 Sec. 14.41.080. MEETINGS. (a) The board shall hold a regular  
9 meeting at least once quarterly at a time and place determined by the  
10 chairperson, and may hold special meetings at other times and places  
11 as the chairperson or a majority of the members of the board considers  
12 necessary. Thirty days notice is required for regular meetings and 10  
13 days notice is required for special meetings of the board, its commit-  
14 tees, or subcommittees. Emergency meetings may be called without  
15 notice.

16 (b) Board meetings shall be held at community college campuses,  
17 in rotation, so that the board meets at each community college at  
18 least once in five years. The board shall provide adequate facilities  
19 for members of the public to attend the meetings of the board, its  
20 committees, and subcommittees.

21 (c) The provisions of AS 44.62.310 apply to meetings of the  
22 board. All meetings of the board, its committees, and subcommittees,  
23 are open to the public and press except as otherwise provided in  
24 AS 44.62.310(c). The findings of an executive session shall be made a  
25 part of the record of the proceedings of the board. All records of  
26 the meetings and proceedings shall be open to inspection by the public  
27 and the press at reasonable times.

28 Sec. 14.41.090. COMPENSATION AND PER DIEM. Members of the board  
29 serve without compensation but are entitled to per diem and travel

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28               Sec. 14.41.090. COMPENSATION AND PER DIEM. Members of the board  
29 serve without compensation but are entitled to per diem and travel

1 expenses authorized by law for boards under AS 39.20.180.

2 Sec. 14.41.100. POWERS AND DUTIES OF THE BOARD. (a) The board  
3 shall

4 (1) appoint the chancellor of the system by a majority vote  
5 of all members of the board;

6 (2) fix the compensation of the chancellor, faculty, and  
7 other officers and employees of the colleges;

8 (3) adopt bylaws and administrative rules for the manage-  
9 ment and operation of the community colleges, extension centers, and  
10 outreach programs;

11 (4) confer degrees appropriate to the community colleges  
12 that the board may determine and prescribe;

13 (5) have the care, control, and management of the real and  
14 personal property and funds of the system, and keep a complete, accu-  
15 rate record of all funds received and disbursed;

16 (6) keep a complete record of the minutes of every meeting  
17 and all acts done by the board in the pursuit of its duties;

18 (7) establish management policies within which the princi-  
19 pal campus administrative officers of the community colleges, the  
20 extension centers, or outreach programs, and the community college  
21 councils manage and control the operation of the community college,  
22 extension center, or outreach programs; and

23 (8) meet regularly with the community college councils to  
24 determine the needs of each community college, extension center, or  
25 outreach program.

26 (b) The board may

27 (1) sue and be sued;

28 (2) receive, hold and manage real and personal property;

29 (3) contract and be contracted with;

- 1                   (4) adopt, use, and alter a corporate seal;
- 2                   (5) accept grants or loans from and contract with the  
3 federal government, the state, or its political subdivisions, and  
4 comply with the provisions of federal, state, or local programs when  
5 necessary;
- 6                   (6) adopt reasonable rules, orders, and plans, with reason-  
7 able penalties, for the good government of the colleges and for the  
8 regulation of the board;
- 9                   (7) determine and regulate the course of instruction in the  
10 colleges with the advice of the president, the principal campus admin-  
11 istrative officers, and the community college councils at each commu-  
12 nity college, extension center or outreach program; and
- 13                   (8) remove from office an officer or employee of the col-  
14 leges by a majority vote of all of the members of the board.

15                   ARTICLE 2. ADMINISTRATION.

16                   Sec. 14.41.110. CHANCELLOR. (a) The chief executive officer of  
17 the board and of the system is the chancellor. The chancellor's  
18 primary responsibility is the administration of the community col-  
19 leges, extension centers, and outreach programs statewide, working  
20 with the principal administrative officers for each community college,  
21 extension center, or outreach program.

22                   (b) In addition to the chancellor's responsibility for the  
23 administration of on-campus programs for the community colleges and  
24 extension centers, the chancellor shall develop and administer off-  
25 campus educational delivery systems and outreach programs for rural  
26 areas of the state.

27                   Sec. 14.41.120. POWERS AND DUTIES OF THE CHANCELLOR. (a) The  
28 chancellor may

- 29                   (1) appoint the faculty and other officers and employees of

1 each community college, extension center, or outreach program, on  
2 recommendation of the principal administrative officer of each;

3 (2) with the approval of the board, delegate the authority  
4 to appoint faculty, officers, and employees to the principal adminis-  
5 trative officer of each community college, extension center, or out-  
6 reach program.

7 (b) The chancellor shall

8 (1) subject to the approval of the board, appoint the  
9 principal administrative officer for each community college and exten-  
10 sion center, on recommendation of the community college council;

11 (2) define the duties and supervise the performance of  
12 those duties by the persons the chancellor appoints to positions  
13 established by the board;

14 (3) give general direction to the work of the community  
15 colleges, extension centers, and outreach programs in accordance with  
16 the policies established by the board;

17 (4) with the principal administrative officers, coordinate  
18 the programs and other activities of the system.

19 Sec. 14.41.130. SUSPENSION, EXPULSION OF STUDENTS. The author-  
20 ity to suspend and expel a student for misconduct or other cause or to  
21 reinstate the student is vested solely in the chancellor. The chan-  
22 cellor may delegate this authority to the principal campus administra-  
23 tive officer of each community college.

24 Sec. 14.41.140. CAMPUS ADMINISTRATION. (a) The principal  
25 administrative officer for each community college is a president. The  
26 president is responsible directly to the chancellor and to the commu-  
27 nity college council for the administration of the community college.  
28 Subject to the approval of the board, the president shall be appointed  
29 by the chancellor, on recommendation of the council for the community

1 college which the president will administer.

2 (b) Each extension center or outreach program, whether estab-  
3 lished, operated, or maintained by the board, or in cooperation with  
4 the Board of Regents of the University of Alaska, another university,  
5 a school district, municipality, an agency of the federal government,  
6 or a nonprofit corporation or association, is under the direction of  
7 an administrator appointed by the chancellor in the manner prescribed  
8 by the board by regulation, or as prescribed in the cooperative agree-  
9 ment.

10 Sec. 14.41.150. SERVICE ORGANIZATIONS. The board may establish  
11 statewide or central service organizations for the community colleges,  
12 extension centers, and outreach programs. Regional service centers  
13 also may be established to administer the outreach programs and to  
14 provide postsecondary educational services to the residents of the  
15 rural areas of the state in each area for which a regional center is  
16 established. In an area where a community college or an extension  
17 center is located, the regional service center shall be integrated  
18 with the operation of the community college or extension center.

19 Sec. 14.41.160. FACULTY; COURSE OF INSTRUCTION. (a) Full-time  
20 members of the faculty and administrative staff of each community col-  
21 lege, extension center, and outreach program are members of the fac-  
22 ulty and administrative staff, respectively, of the Alaska Community  
23 College System for all purposes.

24 (b) The chancellor is responsible for prescribing the qualifi-  
25 cations, and for establishing the procedure for appointment, of all  
26 community college and extension center faculty and administrative  
27 staff.

28 Sec. 14.41.170. COMMUNITY COLLEGE COUNCIL. (a) A community  
29 college council shall be established for each community college. The

1 majority of the members of a community college council shall be per-  
2 sons served by the programs developed and administered under this  
3 chapter. The council shall consist of not less than seven or more  
4 than 15 members who shall be broadly representative of the area  
5 served, including faculty and student representation and a representa-  
6 tive of the city or borough school district or regional educational  
7 attendance area. The board may appoint a council for an extension  
8 center and for each regional service center, when the center is not  
9 integrated with a community college or extension center.

10 (b) The board shall prescribe by regulation the method of selec-  
11 tion of members of community college councils, the term of office, and  
12 the procedure for removal and for the filling of vacancies on the  
13 councils. Each community college council shall adopt bylaws providing  
14 for the election of officers, establishment of meeting schedules and  
15 notices, rules of procedure, and quorums.

16 (c) Members of a council receive no compensation for their ser-  
17 vices, but they may be reimbursed for the expenses incurred in the  
18 performance of their duties in the manner prescribed by the board by  
19 regulation.

20 (d) The provisions of AS 14.41.080(c) and AS 44.62.310 apply to  
21 meetings of community college councils in the same manner and to the  
22 same extent applicable to meetings of the board, its committees, and  
23 subcommittees.

24 (e) A community college council acts

25 (1) in a policy-making capacity with respect to the presi-  
26 dent of each community college, coordinator of an extension center, or  
27 administrator of an outreach program;

28 (2) in an advisory capacity to the chancellor and to the  
29 board.

1           (f) A community college council shall review and make recommen-  
2           dations

3                   (1) concerning the selection of the principal administra-  
4           tive officer of the community college, extension center, or outreach  
5           program;

6                   (2) concerning the proposed program budget for the commu-  
7           nity college, extension center, or outreach program for each fiscal  
8           year before it is submitted to the statewide administration and to the  
9           board; and

10                   (3) relating to the general operation and management of the  
11           community college, extension center, or outreach program, including  
12           but not limited to,

13                           (A) planning for and review of the types and uses of  
14           instructional programs and activities and types and uses of  
15           facilities that the community college, extension center, or  
16           outreach program should provide to meet area needs;

17                           (B) the level of staffing and funding for these pro-  
18           grams, activities or facilities; and

19                           (C) the means of gaining support for the program of  
20           the community college, extension center, or outreach program in  
21           that area.

22                   ARTICLE 3. ESTABLISHMENT OF COMMUNITY COLLEGES.

23                   Sec. 14.41.180. ESTABLISHMENT. (a) A community college or an  
24           extension center may be established by the board only in accordance  
25           with the minimum criteria established by AS 14.41.190 - 14.41.200, as  
26           supplemented by the board by regulation.

27                           (b) The establishment or expansion of a community college or an  
28           extension center may be proposed by

29                           (1) the governing body of a municipality, or a school

1 district;

2 (2) petition of interested citizens in the community or  
3 area to be served;

4 (3) a nonprofit corporation or association;

5 (4) the Alaska Commission on Postsecondary Education or the  
6 state advisory council on community colleges created by AS 14.42.010 -  
7 14.42.055;

8 (5) the legislature by concurrent resolution; or

9 (6) the board.

10 Sec. 14.41.190. FEASIBILITY STUDY. (a) A new community college  
11 or a new extension center may not be established until a feasibility  
12 study as to the need for its establishment in the community or area to  
13 be served has been completed either as directed by the board, or by a  
14 proponent under AS 14.41.180(b), and approved by the board. The feasi-  
15 bility study shall be submitted to the legislature and to the Alaska  
16 Commission on Postsecondary Education.

17 (b) The feasibility study required in (a) of this section shall  
18 include but is not limited to

19 (1) an analysis of the population and educational needs of  
20 the municipality, school district or area in which the proposed com-  
21 munity college is to be located;

22 (2) a description of the area to be served by the proposed  
23 community college;

24 (3) estimated and projected enrollment;

25 (4) proposed core faculty and administrative staffing;

26 (5) a proposed budget for the initial fiscal year of opera-  
27 tion together with a statement of sources of financial support re-  
28 quired for core faculty and administrative staff, curriculum and other  
29 programs and activities, and physical facilities;

1           (6) a plan for citizen involvement through a community col-  
2           lege council established under AS 14.41.170; and

3           (7) a proposed agreement with the school district, munici-  
4           pality or federal agency or a nonprofit corporation or association  
5           under AS 14.41.210.

6           Sec. 14.41.200. EXTENSION CENTERS, OUTREACH PROGRAMS. If in any  
7           community where a community college has been proposed the level of  
8           demand for postsecondary and continuing education as determined by the  
9           feasibility study required under AS 14.41.190(a) is more limited than  
10          that required for the establishment of a comprehensive community  
11          college program, the board may establish an extension center or an  
12          outreach program either independently or in cooperation with the  
13          University of Alaska, another university, a school district, a munic-  
14          ipality, a nonprofit corporation or association, or an agency of the  
15          federal government.

16          Sec. 14.41.210. RELATIONSHIP WITH SCHOOL DISTRICT, MUNICIPALITY,  
17          FEDERAL AGENCY. (a) A community college may establish, operate and  
18          maintain, or enter into a cooperative agreement with an agency of the  
19          federal government, a school district, a municipality, or a nonprofit  
20          corporation or association for the establishment, operation and main-  
21          tenance of, appropriate public postsecondary and continuing educa-  
22          tional programs and activities in community colleges, extension cen-  
23          ters, outreach programs, or by other means. An agreement entered into  
24          under this section shall include, but is not limited to,

25                 (1) recognition that complete operational authority resides  
26                 with the community college, extension center, or outreach program,  
27                 subject to periodic reviews by the cooperating school district,  
28                 municipality, federal agency, nonprofit corporation or association, or  
29                 the participating university, and appropriate reports to ensure

1 program description and effective mutual use of facilities;

2 (2) provision for cooperative planning of program and  
3 facilities needs and for mutual use of facilities;

4 (3) provision that local funding of 10 percent or more of  
5 each community college's total spending, in addition to student fees  
6 or in-kind contributions, shall be provided for support of general  
7 education courses or secondary school-related courses as the school  
8 district, municipality, federal agency, nonprofit corporation or  
9 association, or the participating university considers appropriate;  
10 and

11 (4) provision for periodic review of the agreement.

12 (b) If separate facilities are financed, constructed, or main-  
13 tained from federal, state, or private funds for programs and activi-  
14 ties of the community college, extension center, or outreach program,  
15 the board has title to and control of the separate facilities used for  
16 these purposes. If separate facilities are financed, constructed, or  
17 maintained from school district, municipality, or nonprofit corpora-  
18 tion or association funds for community college or extension center or  
19 outreach programs and activities, the school district, municipality,  
20 or nonprofit corporation or association has title to and control of  
21 the separate facilities used for these purposes.

22 Sec. 14.41.220. EXPANSION OF COURSES. The board shall

23 (1) make a continuing study of the feasibility of expanding  
24 the system of community colleges, extension centers, and outreach pro-  
25 grams in accordance with the criteria set out in AS 14.41.190(b);

26 (2) establish additional extension courses, outreach pro-  
27 grams, and other accredited courses for students as it considers ad-  
28 visable in accordance with the procedures set out in AS 14.41.180 -  
29 14.41.200.

1           **ARTICLE 4. FINANCE; FISCAL AND PROPERTY MANAGEMENT.**

2           **Sec. 14.41.230. FINANCE.** (a) The board shall prepare a com-  
3           plete program budget for each community college, extension center, and  
4           outreach program including all courses, programs and activities re-  
5           gardless of the source of funding, including but not limited to funds  
6           from fees, grants, contracts, agreements, bequests, gifts, trusts, or  
7           endowments.

8           (b) All funds received for community college, extension center,  
9           or outreach program operations shall be administered in the manner  
10          prescribed by the board by regulation.

11          **Sec. 14.41.240. PROPERTY AND FUNDS GENERALLY.** (a) Except as  
12          otherwise provided in this chapter, the system shall hold and manage  
13          all property acquired by it. The Department of Administration, at the  
14          request of the board, signed by its chairperson and secretary, shall  
15          pay to the treasurer of the board all federal land grant college funds  
16          received by the department and subject to requisition by the board.

17          (b) All funds appropriated by the legislature for the establish-  
18          ment, and support of the system, including the construction, opera-  
19          tion, and maintenance of its facilities, shall, at the request of the  
20          board signed by its chairperson and secretary, be paid by the Depart-  
21          ment of Administration to the treasurer of the board. The treasurer  
22          of the board shall disburse these funds on properly drawn vouchers  
23          signed by its chairperson and secretary, or by the administrative  
24          officer of the system to whom the board delegates the performances of  
25          this function.

26          **Sec. 14.41.250. TRUST POSITION OF BOARD.** The board may receive,  
27          manage, and invest in any manner money or other property received from  
28          sources other than the state legislature or federal appropriation for  
29          the purpose of the system, its improvement or adornment, or the aid or

1 advantage of students or faculty, and, in general, may act as trustee  
2 on behalf of the system for any of these purposes.

3 Sec. 14.41.260. ENDOWMENTS AND DONATIONS. Monetary gifts, be-  
4 quests, or endowments that are made to the system for the purpose of  
5 the separate trust fund created under AS 14.40.400 shall be trans-  
6 ferred from the fund to the Department of Revenue. The Department of  
7 Revenue shall manage that money in accordance with AS 14.40.400.  
8 Title to and control or possession of land, personal property, and all  
9 money other than that transferred to the Department of Revenue, that  
10 is devised, bequeathed, or given to the system, shall be taken by the  
11 system in its corporate capacity acting by and through the board, or  
12 its authorized agent, and shall be entered in the perpetual inventory  
13 of the system.

14 Sec. 14.41.270. INVENTORY OF PROPERTY. The board shall maintain  
15 a perpetual inventory of all permanent property of the system.

16 Sec. 14.41.280. APPLICABILITY OF STATE PROCUREMENT CODE. The  
17 provisions of AS 36.30 (State Procurement Code) apply to the system,  
18 except that the provisions of AS 36.30 do not apply in those cases  
19 where the work is to be performed substantially by students enrolled  
20 in the system. The board shall adopt regulations that are substan-  
21 tially equivalent to regulations adopted by the commissioner of admin-  
22 istration under AS 36.30.

23 Sec. 14.41.290. WORKING CAPITAL RESERVE FUND. (a) There is  
24 established in the treasury of the system a working capital reserve  
25 fund. The fund consists of money appropriated by the legislature for  
26 the purpose of completion of capital projects for the system and is  
27 not available for other use by the board.

28 (b) A quarterly report of all activity of the working capital  
29 reserve fund shall be submitted to the Legislative Budget and Audit

1 Committee.

2 Sec. 14.41.300. APPLICABILITY OF CERTAIN FEDERAL LAWS. The pro-  
3 visions of AS 14.40.350 - 14.40.450 apply to the system in the same  
4 manner they apply to the University of Alaska, to the extent the  
5 system is considered the successor to the University of Alaska as a  
6 land grant college, or for any other purpose, as a beneficiary of  
7 federal grants of land or money under AS 14.40.350 - 14.40.450.

8 ARTICLE 5. GENERAL PROVISIONS.

9 Sec. 14.41.900. PROHIBITIONS. (a) A person may not be deprived  
10 of the privileges or services of the system because of age, sex,  
11 color, or nationality.

12 (b) Sectarian or partisan tests may not be employed or applied  
13 in the appointment of board or council members, faculty, or other  
14 officers or employees of the system, or in the admission of students  
15 or for any purposes.

16 Sec. 14.41.910. JOINT USE OF FACILITIES REQUIRED. (a) When a  
17 community college, extension center, or outreach program and the  
18 University of Alaska are contiguous, adjacent or reasonably close to  
19 one another, or if, on the effective date of this Act, a community  
20 college constituting a part of the University of Alaska shared or  
21 jointly used the same buildings and other facilities as other col-  
22 leges, departments, divisions, institutes, or other units of the  
23 University of Alaska, the shared or joint use of these facilities  
24 shall be continued under the control of the University of Alaska and  
25 the costs shall be shared until separate facilities are available to  
26 the community college, extension center, or outreach program.

27 (b) For purposes of this section, "buildings or facilities" in-  
28 cludes libraries, gymnasiums or other athletic facilities, auditor-  
29 iums, cafeterias, residence halls, dormitories or other student living

1 accommodations, laboratories, classrooms, offices, parking structures,  
2 landscaping, roads, utilities, and other buildings or structures used  
3 for the operation and maintenance of an institution of higher educa-  
4 tion.

5 Sec. 14.41.920. LIBRARY SERVICES. Libraries shall be estab-  
6 lished on each community college campus and, when feasible, for an  
7 extension center or outreach program. Library services shall be made  
8 available, and the library facility shall be open, to the community or  
9 area served by the community college.

10 Sec. 14.41.930. REPORT TO THE GOVERNOR, LEGISLATURE. The board  
11 shall make a written report to the governor and to the legislature at  
12 the beginning of each regular session of the condition of the system's  
13 property, of all receipts and expenditures, including but not limited  
14 to the management of trust funds, administration and disposition of  
15 appropriated and restricted funds, and of the educational and other  
16 work performed.

17 Sec. 14.41.940. REGULATIONS. A community college, extension  
18 center, an outreach program, or service center established under this  
19 chapter independently or in cooperation with a school district, muni-  
20 cipality, an agency of the federal government, or a nonprofit corpo-  
21 ration or association shall be operated and maintained under regula-  
22 tions adopted by the board.

23 Sec. 14.41.990. DEFINITIONS. In this chapter

24 (1) "board" means the Board of Trustees of the Alaska Com-  
25 munity College System;

26 (2) "chancellor" means the chancellor of the Alaska Commu-  
27 nity College System;

28 (3) "council" means a community college council appointed  
29 for an individual community college or extension center;

1           (4) "outreach program" means either an off-campus educa-  
2 tional delivery system or program, whether or not conducted in a  
3 physical facility, designed for the conduct of instruction in locali-  
4 ties in the rural areas of the state where there is no community  
5 college or extension center;

6           (5) "services" means programs or facilities that are an  
7 adjunct to academic or vocational programs or courses, or that provide  
8 aid to faculty, students or community, including but not limited to  
9 libraries, counseling and testing, health, media, and community ser-  
10 vices;

11           (6) "system" means the Alaska Community College System.

12           Sec. 14.41.995. SHORT TITLE. This chapter may be cited as the  
13 Alaska Community College System Act.

14 \* Sec. 3. AS 14.40.995(a) is amended to read:

15           (a) The Department of Revenue shall establish a separate fund in  
16 which all money derived from the sale or lease of the lands granted  
17 under the Act of Congress approved January 21, 1929, and in which all  
18 monetary gifts, bequests, or endowments made to the University of  
19 Alaska and to the Alaska Community College System for the purpose of  
20 the fund, shall be held in trust.

21 \* Sec. 4. AS 14.42.015(a) is amended to read:

22           (a) There is in the Department of Education the Alaska Commis-  
23 sion on Postsecondary Education consisting of

24           (1) two members of the Board of Regents of the University  
25 of Alaska designated by the members of that body;

26           (2) one person representing private higher education in the  
27 state selected jointly by the Boards of Trustees of Alaska Pacific  
28 University and Sheldon Jackson College from among their membership;

29           (3) one person representing the Department of Education

1 selected by the state Board of Education;

2 (4) four persons broadly and equitably representative of  
3 the general public appointed by the governor;

4 (5) one member of the state Advisory Council on Vocational  
5 Education designated by the members of that body;

6 (6) two members of the Board of Trustees of the Alaska  
7 Community College System designated by the members of that body; and  
8 if the state Advisory Council on Community Colleges is a separate and  
9 distinct entity from the Board of Trustees, one member of that council  
10 designated by its members [ONE PERSON FROM THE MEMBERS OF THE LOCAL  
11 COMMUNITY COLLEGE ADVISORY COUNCILS APPOINTED BY THE GOVERNOR];

12 (7) two members from the legislature, one of whom shall be  
13 appointed by the president of the senate and one by the speaker of the  
14 house of representatives;

15 (8) one person appointed in accordance with (e) of this  
16 section who is a full-time student as defined in AS 14.43.160(2);

17 (9) one administrator appointed by the governor from a  
18 proprietary institution of postsecondary education that has an au-  
19 thorization to operate in the state issued under AS 14.48.

20 \* Sec. 5. AS 14.42.030(b) is amended to read:

21 (b) The commission shall

22 (1) develop a comprehensive statewide plan for coordinated  
23 postsecondary education in the state and serve as the state commission  
24 on postsecondary education required under sec. 1202 of Title XII of  
25 the Higher Education Act of 1965, as amended by the Education Amend-  
26 ments of 1972 (PL 92-318, sec. 196; 86 Stat. 324);

27 (2) establish a state advisory council on community col-  
28 leges and develop a comprehensive statewide plan for the expansion and  
29 improvement of the community colleges under sec. 1001 of Title X of

1 the Higher Education Act of 1965, as amended by the Education Amend-  
2 ments of 1972 (PL 92-318, sec. 186; 86 Stat. 312, 313); however, to  
3 avoid the establishment of duplicate agencies, the commission may  
4 designate the Board of Trustees of the Alaska Community College System  
5 as the state Advisory Council on Community Colleges if the composition  
6 of the board's membership meets the requirements of applicable federal  
7 law or regulation;

8 (3) serve as the state agency required under secs. 105 of  
9 Title I (Community Service and Continuing Education), 603 of Title VI  
10 (Financial Assistance for Undergraduate Education) and 704 of  
11 Title VII (Construction of Academic Facilities) of the Higher Educa-  
12 tion Act of 1965 (PL 89-329; 79 Stat. 1220, 1262; 20 U.S.C. 1005,  
13 1123) as authorized by sec. 1202(c) of Title XII of the Higher Educa-  
14 tion Act of 1965, as amended by the Education Amendments of 1972  
15 (PL 92-318, sec. 196; 86 Stat. 324);

16 (4) administer the provisions of AS 14.43.090 - 14.43.160  
17 (student loan program), and serve as the student financial aid commit-  
18 tee;

19 (5) administer the provisions of AS 14.48 (regulation of  
20 postsecondary educational institutions);

21 (6) resolve any disputes that exist or arise under a con-  
22 sortium or other cooperative agreement between institutions of public  
23 and private higher education in the state.

24 \* Sec. 6. AS 14.43.020 is amended to read:

25 Sec. 14.43.020. APPLICATIONS FOR AND ISSUANCE AND REPORT OF  
26 CERTIFICATES. A certificate shall be applied for and issued to a  
27 graduate before August 2 of each year and shall be reported immedi-  
28 ately to the registrar of the University of Alaska or of the Alaska  
29 Community College System by the superintendent or principal issuing

1 it.

2 \* Sec. 7. AS 14.43.025 is amended to read:

3 Sec. 14.43.025. FORFEITURE OF SCHOLARSHIP BENEFITS. Failure to  
4 do passing work in more than one subject during a semester, or with-  
5 drawal or expulsion from the University of Alaska or a community  
6 college, constitutes a forfeiture during the following semester or  
7 semesters of the benefits of AS 14.43.010 and 14.43.015.

8 \* Sec. 8. AS 14.43.030 is amended to read:

9 Sec. 14.43.030. PAYMENT OF SCHOLARSHIPS. Payment of the schol-  
10 arships shall be made monthly to the University of Alaska or the  
11 community colleges upon vouchers drawn upon the Department of Adminis-  
12 tration and duly certified by the treasurer and the president of the  
13 Board of Regents of the University of Alaska or the treasurer and  
14 chairman of the Board of Trustees of the Alaska Community College  
15 System. Payments [. NO PAYMENTS] may not be made in excess of  
16 amounts specifically appropriated for this purpose.

17 \* Sec. 9. AS 14.43.055 is amended to read:

18 Sec. 14.43.055. SCHOLARSHIPS. The Board of Regents of the  
19 University of Alaska and the Board of Trustees of the Alaska Community  
20 College System shall offer not more than 15 new scholarships for each  
21 academic year to Alaska Natives desiring to attend the University of  
22 Alaska or the community colleges. The boards [BOARD] shall give pre-  
23 ference to Natives residing in the rural areas of the state who desire  
24 to receive training in the field of education. If there are more than  
25 15 applications the boards [BOARD] shall award 15 scholarships to  
26 those applicants who have the highest scholastic record or who the  
27 boards determine [BOARD DETERMINES] are the most qualified among the  
28 applicants and who are financially unable to obtain a higher education  
29 without assistance. The University of Alaska and the community

1 college shall provide the [SUCH] minimum financial assistance to  
2 these students [AS IS] necessary in each individual case, but not  
3 exceeding fees, board, and room.

4 \* Sec. 10. AS 14.43.060 is amended to read:

5 Sec. 14.43.060. CONTINUATION OF SCHOLARSHIPS. The award of free  
6 room and board shall be made from any funds available to the Univer-  
7 sity of Alaska or the community colleges. Each Native who receives a  
8 scholarship under AS 14.43.050 - 14.43.075 is entitled to retain the  
9 scholarship and to receive free room and board during attendance at  
10 the university or a community college as long as the student maintains  
11 a grade average equivalent to a "C" or better. However, no Native is  
12 entitled to the scholarship for more than four years, or for more than  
13 the number of years necessary to receive a bachelor's degree.

14 \* Sec. 11. AS 37.05 is amended by adding a new section to read:

15 Sec. 37.05.307. APPLICABILITY TO ALASKA COMMUNITY COLLEGE SYS-  
16 TEM. The commissioner of administration may delegate the performance  
17 of the functions under this chapter as they relate to the Alaska  
18 Community College System to the Board of Trustees of the Alaska Commu-  
19 nity College System and set out the criteria and guidelines which  
20 shall be followed. The commissioner shall direct necessary stipula-  
21 tions and exercise monitoring responsibility for conformance through  
22 the Board of Trustees of the Alaska Community College System.

23 \* Sec. 12. AS 39.25.110(5) is amended to read:

24 (5) officers and employees of the University of Alaska and  
25 the Alaska Community College System;

26 \* Sec. 13. AS 39.50.200(b) is amended by adding a new paragraph to  
27 read:

28 (49) Alaska Community College System Board of Trustees  
29 (AS 14.42.020).

1 \* Sec. 14. AS 14.40.560 - 14.40.640 are repealed.

2 \* Sec. 15. TRANSITION. (a) Under the direction of the Alaska Commis-  
3 sion on Postsecondary Education and in cooperation with the Department of  
4 Administration and the Department of Revenue, the Board of Regents of the  
5 University of Alaska shall redistribute or transfer the property, assets  
6 and state or federal funds of the University of Alaska relating to the  
7 operation, maintenance, and support of the community colleges within the  
8 university to the Alaska Community College System except that shared or  
9 adjacent facilities remain under the control of the University of Alaska  
10 subject to the provisions of AS 14.41.320.

11 (b) Litigation, hearings, investigations, and other proceedings pend-  
12 ing under a law amended for functions that may be transferred by this Act  
13 continue in effect and may be continued and completed notwithstanding a  
14 transfer or amendment provided for in this Act. Certificates, orders,  
15 rules, or regulations issued or filed under authority of a law amended by  
16 this Act or functions that may be transferred by this Act, remain in effect  
17 for the term issued, unless revoked, vacated, or otherwise modified under  
18 the provisions of this Act. Contracts or other obligations created by a  
19 law amended by this Act or by virtue of functions that may be transferred  
20 by this Act, and in effect on the effective date of this Act, remain in  
21 effect unless revoked or modified under the provisions of this Act.

22 (c) Faculty, staff, officers, or employees in the community colleges  
23 of the University of Alaska, or those statewide or regional faculty, staff,  
24 officers, or employees of the university whose functions, powers, duties,  
25 and responsibilities relate in whole or in the major part to community  
26 colleges and who were employed on the effective date of this Act shall be  
27 terminated by the University of Alaska and shall be rehired by the Alaska  
28 Community College System. The Alaska Commission on Postsecondary Education  
29 shall assist those community college faculty, staff, officers, or employees

1 of the University of Alaska who are not transferred in finding positions  
2 for which they are qualified.

3 (d) The Board of Trustees of the Alaska Community College System  
4 succeeds the Board of Regents of the University of Alaska as a party to an  
5 existing cooperative agreement between the Board of Regents of the Univer-  
6 sity of Alaska and a school district, municipality, or an agency of the  
7 federal government, or a nonprofit corporation or association with respect  
8 to the establishment, operation, and maintenance of a community college or  
9 an extension center. An agreement in effect on the effective date of this  
10 Act shall remain in effect until its agreed expiration and may be modified  
11 or extended by mutual agreement unless, before the agreed expiration, it is  
12 mutually cancelled by the contracting parties in accordance with law.

13 (e) Programs, courses, and services offered by the community colleges  
14 of the University of Alaska as of July 1, 1987, shall be transferred to the  
15 Alaska Community College System.

16 \* Sec. 16. APPOINTMENT OF INITIAL FACULTY AND STUDENT MEMBERS. (a)  
17 Notwithstanding AS 14.41.030, enacted by sec. 2 of this Act, the governor  
18 may appoint the initial member of the Board of Trustees from among the  
19 full-time members of the faculty of the Alaska Community College System  
20 without regard to prior nomination by the Board of Trustees. The faculty  
21 member serves the term provided in AS 14.41.050(b).

22 (b) Notwithstanding AS 14.41.040(a), enacted by sec. 2 of this Act,  
23 the governor may appoint the initial member of the Board of Trustees from  
24 among the full-time students of the Alaska Community College System qual-  
25 ified under AS 14.41.040(b) without regard to prior nomination by election.  
26 The student member serves the term provided in AS 14.41.050(b).

27 \* Sec. 17. This Act takes effect July 1, 1987.