

COMMITTEE REPORT  
SENATE

5/25/76

5/25/76 Date

Mr. President:

The Committee on FINANCE has had CSHB 899 (Fin) on student financial aid under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for CSHB 899 (Fin) and that CS for CSHB 899 (Fin) do pass
- (and) recommends it be referred to the \_\_\_\_\_ committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) \_\_\_\_\_

MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____	recommends: _____
_____	recommends: _____
_____	recommends: _____

\_\_\_\_\_  
Chairman

Original Sponsor: Select Committee  
on Education

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 899

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  
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16 basis, and (2) the tuition or fees paid by the student at the state in-  
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18 \$2,500 plus a cost-of-living adjustment. Subject to the approval of the  
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20 secretary may adjust the maximum grant based on a cost-of-living fact  
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  
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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  
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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;

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10 institution in the same city where the private college or university is  
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14 \* Sec. 3. AS 14.40.786(a) is amended to read:

15 (a) Proceeds from grants may be used only for tuition at a college  
16 or university in Alaska accredited by the Northwest Association of  
17 Secondary and Higher Schools. Before payment of the grant is made, the  
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Offered: 5/18/76  
Referred: Rules

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

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) am

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;

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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  
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2 based on the audit for the immediately preceding fiscal year.

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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-liv g  
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).

Introduced: 4/6/76  
Referred: Select Committee on  
Education and Finance

1 IN THE HOUSE

BY THE SELECT COMMITTEE  
ON EDUCATION

2 HOUSE BILL NO. 899

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4 full-time or part-time participation in field-based programs.

5 \* Sec. 7. AS 14.40.806(2), (3) and (4) are amended to read:

6 (2) "full-time student" means a student who is enrolled and  
7 is in regular attendance at classes for at least eight [12] semester  
8 hours of credit during the semester; any combination of eight [12] or  
9 more semester hours of credit undertaken during a semester at two or  
10 more public or private institutions of higher education operating  
11 under a consortium constitutes full-time student status;

12 (3) "part-time student" means a student who is enrolled and  
13 is in regular attendance at classes for at least three but less than  
14 eight [TWELVE] semester hours of credit during the semester;

15 (4) "resident" means a person domiciled in Alaska who has  
16 resided in Alaska for at least one year [TWO YEARS] before an applica-  
17 tion for a grant or loan is made under secs. 751 - 806 of this chapter;

18 \* Sec. 8. This Act takes effect immediately in accordance with AS 01.10.-  
19 070(c).  
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21  
22  
23  
24  
25  
26  
27  
28  
29

Introduced: 4/6/76  
Referred: Select Committee on  
Education and Finance

1 IN THE HOUSE

BY THE SELECT COMMITTEE  
ON EDUCATION

2 HOUSE BILL NO. 899

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

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23 semester credit hour, but not to exceed an appropriate portion of \$1,850  
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26 less in tuition or fees at a private college or university than would be  
27 required for a similar enrollment at the state institution in the same  
28 city.

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

"An Act transferring the division of budget and management to the office of the governor; and providing for an effective date."

# COMMITTEE REPORT

4/7/76

HOUSE

~~FINANCE~~

Mr. Speaker:

Date 4-8-76

The Committee on ~~SECRETARY~~ FINANCE has had HB 900

under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR \_\_\_\_\_ AND THAT  
CS FOR \_\_\_\_\_ DO PASS
- "and" recommends it BE REFERRED TO THE \_\_\_\_\_  
COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

\_\_\_\_\_

Haugen \_\_\_\_\_

Buchheit \_\_\_\_\_

Malone \_\_\_\_\_

Laughlin \_\_\_\_\_

Members NOT concurring in the Majority report:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

Malone Chairman

Introduced: 4/7/76  
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 900

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act transferring the division of budget and  
7 management to the office of the governor; and providing  
8 for an effective date."

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

10 \* Section 1. AS 37.07.120(2) is amended to read:

11 (2) "division" means the division of budget and management,  
12 Office of the Governor [DEPARTMENT OF ADMINISTRATION];

13 \* Sec. 2. AS 44.19 is amended by adding a new section to read:

14 Sec. 44.19.015. STATE BUDGET. The governor shall direct the  
15 preparation and administration of the state budget.

16 \* Sec. 3. AS 44.21.020(1) is repealed.

17 \* Sec. 4. This Act takes effect July 1, 1976.

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HB900

April 7, 1976

The Honorable Mike Bradner  
Speaker of the House  
Alaska State Legislature  
Juneau, Alaska 99811

Dear Mr. Speaker:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill transferring the Division of Budget and Management from the Department of Administration to the Office of the Governor.

After much internal discussion, as well as discussions with individuals in governors' offices in our sister states, I am confident that the proposed transfer would serve to strengthen the state's planning and budgeting process.

With the advent of program budgeting in Alaska in 1970, the budget system's emphasis shifted toward program analysis. The budget has become an instrument to aid policy makers in the assignment of priorities by specifying objectives and identifying the alternative means of achieving them.

It is apparent that a transfer of the Division of Budget and Management would further improve this new role and would accomplish several objectives: inter-agency cooperation and coordination would improve and the importance and usefulness of the budget system as the Governor's primary policy making and management tool would be enhanced.

Sincerely,

Jay S. Hammond  
Governor