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COMMITTEE REPORT

SENATE

FURTHER: Finance

3/18/81

Date: _____

Mr. President:

The Committee on HEALTH, EDUCATION AND SOCIAL SERVICES has had SB 301 establishing the Alaska cooperative scholarship program

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
- and recommends _____ new title
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

[Handwritten signatures]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Handwritten signature]

CHAIRMAN

AMENDMENT

OFFERED IN THE SENATE:

BY: Senate HESS

TO: Senate Bill 301 SENATE BILL No. 301

HOUSE BILL No. _____

PAGE: 2

LINE: 7 & 20

- 1) page 2, line 7: before "student" insert "undergraduate"
- 2) page 2, line 20: before "scholastic" insert "cumulative"

Romberg wants scheduled

\$ note?
Coming

Introduced: 3/18/81
Referred: Health, Education
& Social Services and Finance

1 IN THE SENATE

BY PARR AND COLLETTA

2 SENATE BILL NO. 301

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Alaska cooperative scholar-
7 ship program; and providing for an effective date."

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

9 * Section 1. AS 14.40 is amended by adding new sections to read:

10 ARTICLE 14. ALASKA COOPERATIVE SCHOLARSHIP PROGRAM.

11 Sec. 14.40.970. PROGRAM ESTABLISHED. (a) There is established
12 the Alaska cooperative scholarship program to recognize academic excel-
13 lence and to provide financial assistance to eligible students to
14 enable them to attend, or to continue to attend, a postsecondary educa-
15 tional institution in the state.

16 (b) The program shall be administered by the Alaska Commission on
17 Postsecondary Education. In administering the program, the commission
18 shall

19 (1) prepare information concerning the program and distribute
20 that information to the public;

21 (2) prescribe the form and procedures for application for a
22 cooperative scholarship;

23 (3) determine the money to be distributed to postsecondary
24 institutions under the program, and make that distribution; and

25 (4) provide for periodic evaluation of the program, includ-
26 ing but not limited to review and approval of the standards for partici-
27 pation in the program determined under AS 14.40.985.

28 Sec. 14.40.975. ELIGIBILITY. A resident of the state is eligible
29 for a cooperative scholarship under AS 14.40.985 if he

1 (1) at the time he applies for a cooperative scholarship has
2 been a resident of the state for at least two years;

3 (2) secures a scholarship from a private business source as
4 part of an established program of financial assistance for students
5 provided by that business;

6 *Undergraduate* (3) enrolls or is eligible to be admitted as a full-time
7 student in a postsecondary educational institution in the state; and

8 (4) pursues a course of study approved under AS 14.40.985.

9 Sec. 14.40.980. COOPERATIVE SCHOLARSHIP. (a) The commission
10 shall award a cooperative scholarship to an applicant who is eligible
11 under AS 14.40.975. The cooperative scholarship shall equal the
12 scholarship provided by the private business source or \$2,500, which-
13 ever is less, for an academic year.

14 (b) A cooperative scholarship may be renewed for three academic
15 years if the student

16 (1) applies to the commission for the renewal;

17 (2) is a full-time student during the academic year for
18 which he receives a cooperative scholarship at a postsecondary educa-
19 tional institution in the state; and

20 (3) maintains a *cumulative* scholastic average of at least a "B".

21 Sec. 14.40.985. AGREEMENT BETWEEN SCHOOL AND BUSINESS CONTRIBUTOR.

22 (a) A cooperative scholarship may be developed by agreement between a
23 postsecondary educational institution and a business which is the
24 source of the required scholarship match. The terms and conditions of
25 a cooperative scholarship may be amended at any time by agreement
26 between the postsecondary educational institution and the business
27 which is the source of the required scholarship match. An agreement
28 which is developed or amended shall be submitted to the commission for
29 review and approval, and become effective on approval of the commission.

1 (b) The agreement shall provide that each cooperative scholarship
2 may be awarded in conjunction with a proposed principal or major field
3 of study, and shall designate the principal or major field of study in
4 which the scholarship is to be granted.

5 Sec. 14.40.990. USE OF COOPERATIVE SCHOLARSHIP. A student may
6 use the cooperative scholarship only for expenses of his education at
7 the postsecondary educational institution associated with the principal
8 or major field of study.

9 Sec. 14.40.995. DEFINITIONS. In AS 14.40.970 - 14.40.995,

10 (1) "commission" means the Alaska Commission on Postsecondary
11 Education (AS 14.40.903);

12 (2) "full-time student" means a student enrolled and in
13 regular attendance at classes for at least 12 semester hours of credit,
14 or its equivalent, during a semester or term;

15 (3) "program" means the Alaska cooperative scholarship
16 program.

17 * Sec. 2. AS 14.40.909(b) is amended by adding a new paragraph to read:

18 (7) administer the Alaska cooperative scholarship program
19 (AS 14.40.970 - 14.40.995).

20 * Sec. 3. This Act takes effect July 1, 1981.
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STATE OF ALASKA

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

JAY S. HAMMOND, GOVERNOR

POUCH F—STATE OFFICE BUILDING
JUNEAU, ALASKA 99811
PHONE: (907) 465-2854

Data Sheet for SB 301

1. The overall Fall, 1979 course quality-point-average (QPA) for the University of Alaska was 2.87. The Spring, 1980 course quality-point-average was 2.94.
2. Detailed summaries of the course quality-point-average for the 1979-80 academic year at the University of Alaska are as follows:*

	<u>Fall QPA</u>	<u>Spring QPA</u>
UAA	2.75	2.85
UAF	2.78	2.82
UAJ	3.45	3.47
CC	2.95	3.02
Total	2.87	2.94
Lower Division	2.81	2.88
Upper Division	3.00	3.07

*Please note that these data include the grades achieved by all students, both full-time and part-time.

Suggested Amendments

1. Page 2, line 7

"... undergraduate student in a ..."

2. Page 2, line 20

"... maintains a cumulative scholastic average of ..."

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

210 Behrman Bldg.
Ath. Rocky

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 301
Title Establishing Cooperative Scholarship Program
Requested by Senate HESS Date 5/20/81

II. FISCAL DETAIL

Agency Affected Education
Program Category Affected Commission on Postsecondary Education
BRU, Program, or Subprogram(s) Affected Grants and Loans
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		6.0	6.4	6.7	7.1	7.6
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		391.0	840.7	1,208.3	1,485.4	1,663.3
TOTAL	N.A.	397.0	840.7	1,215.0	1,492.5	1,670.9

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND	N.A.	397.0	840.7	1,215.0	1,492.5	1,670.9
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME	N.A.	-0-	-0-	-0-	-0-	-0-
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

- a. Costs are based upon current levels of scholarship donations, both organizational and individual, along with a 10% increase first year, 40% second year, and then 10% projects forward. Attrition was considered to be 25% per year.

	Year 1	Year 2	Year 3	Year 4
Example:				
New	100	100	100	100
Continuing		75	125	150
Total	100	175	225	250

- b. Only administrative expense is for publicity, printing, forms, etc.
Inflation at 6%.

IV. DATE May 18, 1981 PREPARED BY Kerry D. [Signature]
AGENCY Commission on Postsecondary Education
PHONE 465-2854
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

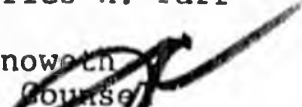
LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 12, 1981

SUBJECT: Cooperative scholarship program
(Work Order Number 12-0955)

TO: Senator Charles H. Parr

FROM: John B. Chenoweth
Legislative Counsel 

The approach taken in this bill draft differs markedly from that suggested in the model. I was impressed in the model legislation that the purpose of the bill was to match scholarships contributed from private sources without requiring the amount contributed from a private source to lose its "identity" by passing through a state entity. I was also concerned that amounts contributed by private sources actually to be received and expended by the Commission of Postsecondary Education would be subject to legislative appropriation. To permit privately provided scholarships to retain an identity and to avoid the necessity of legislative appropriation, this bill recasts the proposed scholarship program to address, principally, the amount which the state is to provide -- described as a match to the amount given from a private source -- not to exceed \$2,500. The Commission on Postsecondary Education never touches the amount which has been privately contributed, concerning itself only with the state-provided match. I trust that this approach has your approval.

The residency requirement, set at a minimum of two years, is troublesome for the same reason as was noted in our discussion with you regarding a very similar requirement proposed as an amendment to the current scholarship loan program.

I purposely did not include material deriving from section 8 of the bill draft's model, precluding a recipient of a scholarship under this program from receiving an Alaska State Scholarship, for that program has yet to be drafted, much less enacted.

Senator Charles H. Parr
Page 2
March 12, 1981

As this bill proceeds through the committee process, you may choose to add the prohibition.

JBC:ljb

Enclosure