

**E O**

**9 7**

# FISCAL NOTE

**STATE OF ALASKA**  
**1996 LEGISLATIVE SESSION**

Bill Version: EO 97  
 (H) Publish Date: 1-8-96

Revision Date: \_\_\_\_\_ Dept. Affected: EDUCATION  
 Title: Executive Order transferring functions of the BRU: Executive Administration  
Alaska Commission on Postsecondary Education Component: Commissioner's Office  
 Sponsor: Rules Committee  
 Requester: Governor COMPONENT SERIAL NO. 185

**Expenditures/Revenues:** (Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGES IN REVENUES</b>						
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**FUNDING:** (Thousands of Dollars)

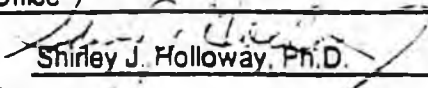
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
Other: 1007 I/A Receipts	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of current year (FY96) cost: 0.0

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary) Sections 3, 4, 5 and 6 of the Executive Order list duties relating to postsecondary education in Alaska which are being transferred from ACPE to DOE. Those paragraphs which were enacted in compliance with federal mandates or which refer to coordination of the community college system and the University of Alaska budget are archaic due to federal and state statutory changes. The Department will support clean-up legislation to address these areas. The general policy and planning duties will be an expansion of the scope of the Board of Education's current activities, creating a linkage between secondary and postsecondary training. These functions, as they currently exist in statute are diverse and complex. DOE, with current and anticipated budgetary constraints, would not be able to afford the additional professional and administrative staff to perform these functions and still comply with our elementary and secondary education oversight responsibilities.

Prepared by: Kimberly Homme, Special Assistant  
 Division: Commissioner's Office  
 Approved by Commissioner:  Shirley J. Holloway, Ph.D.  
 Agency: Department of Education

Phone: 465-2803  
 Date: January 4, 1996  
 Date: January 4, 1996

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# FISCAL NOTE

**STATE OF ALASKA**  
**1996 LEGISLATIVE SESSION**

Bill Version: EO 97  
 (H) Publish Date: 1-8-96

Revision Date: \_\_\_\_\_ Dept. Affected: EDUCATION  
 Title: Executive Order transferring functions of the BRU: Executive Administration  
Alaska Commission on Postsecondary Education Component: Administrative Services  
 Sponsor: Rules Committee  
 Requester: Governor COMPONENT SERIAL NO. 157

**Expenditures/Revenues:** (Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>						
<b>CHANGES IN REVENUES</b>						

**FUNDING:** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
Other: 1007 I/A Receipts	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of current year (FY96) cost: \$ 45.0

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary) The Division of Administrative Services provided human resource, payroll, finance and budget support to the Alaska Commission on Postsecondary Education (ACPE) through a budgeted Reimbursable Services Agreement. The FY97 budget for Administrative Services has been adjusted for changes in the cost allocation plan based on the proposed transfer of the ACPE and consolidation of accounting functions. No additional funding is required.

Prepared by: Karen J. Rehfeld, Director Phone: 465-8650  
 Division: Administrative Services Date: January 4, 1996  
 Approved by Commissioner: Shirley J. Holloway, Ph.D. Date: January 4, 1996  
 Agency: Department of Education

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STATE OF ALASKA  
1996 LEGISLATIVE SESSION

Jill Version: EU 97  
(H) Publish Date: 1-8-96

Revision Date: \_\_\_\_\_ Dept. Affected: EDUCATION  
Title: Executive Order transferring functions of the BRU: AK Commission on Postsecondary Educ  
Alaska Commission on Postsecondary Education Component: Program Administration  
Sponsor: Rules Committee  
Requester: Governor COMPONENT SERIAL NO. 212

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY97	FY98	FY99	FY00	FY01	FY02
PERSONAL SERVICES						
TRAVEL	(20.0)					
CONTRACTUAL	(2.0)					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>(22.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGES IN REVENUES						
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
Other: 1022 Corporate Receipts	(22.0)	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>(22.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of current year (FY96) cost: (11.5)

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The membership on the commission and corporation would be reduced from a total of 19 members to 7 members, and the subcommittees would be eliminated. The smaller membership and subsequent reduction in the number of meetings would.

- eliminate costs for obtaining meeting space and allow for meetings to take place in the Anchorage student loan office conference room;
- reduce travel costs;
- reduce staff time and money preparing and mailing fewer meeting packets; and
- reduce the number of meetings held each fiscal year (including subcommittees) from approximately 16 to 4.

This fiscal note is for information only. All FY97 budget impacts will be submitted as a Governor's budget amendment.

Prepared by: Gillian R. Hays, Legislative Liaison  
Division: Alaska Commission on Postsecondary Education  
Approved by Acting Executive Director: *Diane Barrans*  
Agency: Alaska Commission on Postsecondary Education

Phone: 465-6718  
Date: January 5, 1996  
Date: January 5, 1996

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# FISCAL NOTE

Version: EO 97  
(H) Publish Date: 1-8-96

**STATE OF ALASKA  
1996 LEGISLATIVE SESSION**

Revision Date: \_\_\_\_\_ Dept. Affected: Revenue  
 Title: EO: Postsecondary Education BRU: Administration & Support  
 Component: Administrative Services Division  
 Sponsor: Rules  
 Requester: Governor COMPONENT SERIAL NO. 125

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
1007 Interagency Receipts						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY96) cost: \$ \_\_\_\_\_

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary)

The Division will be incurring additional administrative costs due to the transfer of the Alaska Student Aid Corporation from the Department of Education to the Department of Revenue. It is our intent to submit a budget amendment in the amount of \$40.0 in interagency receipts attributable to a Reimbursable Services Agreement (RSA) between the Alaska Student Aid Corporation and the Administrative Services Division. Services to be provided will be in the areas of personnel, payroll and budgeting.

Prepared by: Bob Baratko Phone: 465-2312  
 Division: Administrative Services Division Date: 1/3/96  
 Approved by: \_\_\_\_\_  
 Commissioner: Deborah Vogt Date: 1/4/96  
 Agency: Revenue

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# FISCAL NOTE

Revision: \_\_\_\_\_  
(H) Publish Date: 1-8-96

**STATE OF ALASKA  
1996 LEGISLATIVE SESSION**

Revision Date: \_\_\_\_\_ Dept. Affected: Revenue  
 Title: EO: Postsecondary Education BRU: Alaska Student Aid Corporation  
 Component: Alaska Student Aid Corporation  
 Sponsor: Rules  
 Requester: Governor **COMPONENT SERIAL NO.** \_\_\_\_\_

**Expenditures/Revenues (Thousands of Dollars)**

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES ( )</b>						

**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
1007 Interagency Receipts						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ \_\_\_\_\_

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary)

This fiscal note acknowledges the transfer of the Alaska Student Aid Corporation from the Department of Education to the Department of Revenue due to an Executive Order. Funding within the Department of Revenue will be reflected in FY97 Governor's budget amendments.

Prepared by: Bob Baratko *[Signature]* Phone: 465-2312  
 Division: Administrative Services Division Date: 1/5/96  
 Approved by: \_\_\_\_\_  
 Commissioner: Deborah Vogt *[Signature]* Date: 1/3/96  
 Agency: Revenue

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**STATE OF ALASKA**  
OFFICE OF THE GOVERNOR  
JUNEAU

January 8, 1996

The Honorable Gail Phillips  
Speaker of the House  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182

Dear Speaker Phillips:

Under the authority of art. III, sec. 23, of the Alaska Constitution, I am transmitting an Executive Order relating to the transfer of functions of the Alaska Commission on Postsecondary Education.

This Executive Order is the first step in creating a new management structure to provide for the long-term stability of the Alaska student aid programs. This new structure should assure the financial community of Alaska's continued commitment to the financial viability of that program. Additionally, the transfer will streamline the student aid program and help integrate postsecondary education into the comprehensive statewide plan for education and training in the Department of Education.

The Executive Order accomplishes these goals in three ways.

First, the Executive Order eliminates the 14-member Alaska Commission on Postsecondary Education and transfers many of its functions to the Alaska Student Loan Corporation. That corporation is, in turn, renamed the Alaska Student Aid Corporation with an expanded board of seven members. This should reduce costs and result in a better integrated program.

Second, the Alaska Student Aid Corporation is transferred to the Department of Revenue. All management and administration functions of the Alaska Commission on Postsecondary Education for student aid funds are transferred to the corporation. These transfers should provide additional expertise and streamline the investment functions for the student loan funds.

The Honorable Gail Phillips

January 8, 1996

Page 2

Third, the policy and planning functions of the postsecondary commission are transferred to the Department of Education. The department can provide the central focal point for all education programs, including postsecondary, to be sure that Alaskans can be competitive in today's workplace.

I urge your support of this Executive Order. It will result in improved program operation while reducing administrative costs. These changes will help the vital student loan program become self-sufficient, so that low cost financial aid remains available to future generations of Alaskans pursuing postsecondary educational opportunities.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Knowles". The signature is written in a cursive style with a large initial "T".

Tony Knowles  
Governor

# STATE OF ALASKA

## ALASKA COMMISSION ON POSTSECONDARY EDUCATION

### MEMORANDUM

TONY KNOWLES, GOVERNOR

3030 VINTAGE BLVD.  
JUNEAU, ALASKA 99801-7109  
VOICE (800) 441-2962  
In Juneau 465-6740  
TDD (907) 465-3143  
FAX (907) 465-3293

TO: Honorable Gail Toohey, Co-Chair  
Honorable Con Bunde, Co-Chair  
House HESS Committee  
Honorable Lyda Green, Chair  
Senate HESS Committee

FROM: Diane Barrans, Executive Director  
Alaska Commission on Postsecondary Education

DATE: January 17, 1996

SUBJECT: Documents Pertinent to Executive Order #97

Attached for your information are three documents which may be helpful as a preface to the joint meeting of your committees to consider Executive Order #97.

Attachment A is a bullet sheet which summarizes the impact of the reorganization of functions by this Executive Order.

Attachment B is correspondence from Ken Vassar of Wohlforth, Argetsinger, Johnson & Brecht, Bond Counsel to the Alaska Student Loan Corporation. Mr. Vassar has reviewed the Executive Order to ensure that there would be no legal concerns which the Corporation would need to address. Mr. Vassar has been Bond Counsel to the Corporation since it was created and his general comments may be of interest to your members.

Attachment C is a memorandum from Teresa Williams, Department of Law, addressing some of the archaic federal laws which will be transferred from the Commission to the Department of Education.

Please let me know if any additional information is needed. My number is 465-6740.

## Attachment A

**Reorganization Resulting from Executive Order #97**

- **Move Higher Education Policy and Planning Functions to DOE (Secs. 3 -6)**

The actual impact of this change will be that the Department of Education can broaden the scope of its policy and planning activity to include postsecondary issues. The impacts of these changes have the appearance of being quite broad because Section 3 of the EO references federal statutes which were repealed sometime after the Alaska laws were enacted. The necessary corrections may only be made through the legislative process.

- **Move Alaska Student Loan Corporation from Education to Revenue and Rename Alaska Student Aid Corporation; staff of Commission becomes staff of Corporation (Secs. 7 and 9)**

Impact is that the proximity to, and strengthened relationship with, Revenue will illustrate Alaska's commitment to strengthen and support these Programs. Will translate well to the Corporation's external customers (bond holders, rating agencies, bond insurers). Also clarifies that the Corporation Board (majority of public members), not the Commissioner of Revenue, will direct the operation of the agency "which has a legal existence independent of and separate from the state."

- **Expand Corporation Board Membership from 5 to 7 (Sec. 8)**

Impact is that both the finances and operations of the Program will be administered by a single board that will be structured to react quickly when necessary to program changes or market shifts. Also are inherent administrative efficiencies of have a 7 member board rather than two boards with a total of 17 members. Two cabinet level positions (Commissioners of Administration and Revenue) are taken from existing Corporation statutes and one Administration representative (Representative of the Department of Education) and four public members are taken from existing Commission statutes. Eliminates special-interest representation on Board. Also resolves constitutional issue of having legislative members on a regulation-setting board.

- **Move Financial Aid Program Administration and Institutional Authorization functions Within the Authority of the Corporation (Secs. 10 - 76)**

Agency staff will continue to function so that no negative impact of the EO is experienced by the external customers of the Corporation.

- **Technical Changes Necessitated by Phase-out of Commission and/or Transfer of some functions from Commission to Corporation (Secs. 77 - 84)**

Clean-up necessary for Corporation to be fully operational on effective date of EO.

Attachment B

## WOHLFORTH, ARGETSINGER, JOHNSON &amp; BRECHT

PETER ARGETSINGER  
JULIUS J. BRECHT  
CYNTHIA L. CARTLEDGE  
CAROL L. GILES  
ROBERT M. JOHNSON  
THOMAS F. KLINKNER  
BRADLEY E. MEYER  
HENKETH E. VASSAR  
ERIC E. WOHLFORTH

A PROFESSIONAL CORPORATION  
ATTORNEYS AT LAW  
900 WEST 5TH AVENUE, SUITE 600  
ANCHORAGE, ALASKA 99501-2048

TELEPHONE  
(907) 276-0401  
TELECOPY  
(907) 276-5093

January 10, 1996

REC'D ACPE

JAN 12 1996

Diane Barrans  
Executive Director  
Alaska Student Loan Corporation  
3030 Vintage Boulevard  
Juneau, Alaska 99801-7109

RE: Executive Order No. 97  
Our File No. 4908 0213

Dear Ms. Barrans:

At your request, I have reviewed Executive Order No. 97 relating to the Commission on Postsecondary Education and the Alaska Student Loan Corporation. Under the Executive Order, the current powers and duties of the Commission would be transferred primarily to the Corporation, with certain of those powers and duties being transferred to the Department of Education. The Corporation would be renamed the Alaska Student Aid Corporation and would be transferred from the Department of Education to the Department of Revenue for administrative purposes. The Commission would be abolished. There would be some additional amendments to the Corporation's statutes, including a modification of the membership of its board of directors.

I have reviewed the Executive Order particularly to determine whether it violates any agreements with holders of the Corporation's outstanding bonds or with the insurer of those bonds. In my review I have found nothing in the Corporation's Indenture, any of the Corporation's Supplemental Indentures, or any other documents relating to the issuance of the Corporation's bonds that would prevent the implementation of the Executive Order or that would be violated by the implementation of the Executive Order.

In addition, I believe that the changes suggested by the Executive Order will be beneficial to the Corporation's efforts to finance the student loan program through the sale of its bonds and beneficial to the student loan program generally. The existence of two, separate state agencies with identical staff and possessing powers and duties relating to the same program (i.e., the student loan program) is confusing. Even the members of the Commission and the members of the

Diane Barrans  
January 10 1996  
Page 2

Corporation have been confused as to the boundaries of their respective powers and duties. Our firm on more than one occasion has provided "seminars" to each entity for the purpose of helping to define their roles. With such confusion within the agencies themselves, confusion among bond investors and insurers is almost certain, and explanations of the relationship between the Commission and the Corporation is a part of each year's bond issuance procedure. Consolidating the functions of the two entities into the Corporation will eliminate the confusion and ease the sales efforts for the Corporation's bonds.

The consolidation will also eliminate the inefficiencies of having two entities that must transact the same business with one another. Under the existing arrangement, the Commission makes the loans and the Corporation finances them with bond proceeds. The bonds are secured by the loans and the revenues derived from the loans, which means that the Commission must take steps to perfect a pledge of the loans as security for the bonds. Then, pursuant to a separate agreement between the Corporation and the Commission, the Commission must service the loans and see to it that revenues are transferred in a timely manner to the funds created by the Corporation for the benefit of the bonds. In the meantime, the Commission's regulations relating to the award, terms, and servicing of loans affect the size, timing of issuance, and security for the Corporation's bonds. It would improve the efficiency of the entire process to have the same entity responsible for these interwoven procedures, as the Executive Order would provide.

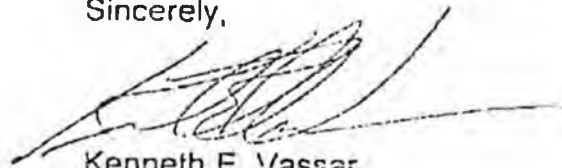
The two entities were created, to the best of my knowledge, only because the reason for the Corporation's existence arose long after the Commission had already been in existence. When the ability to finance student loans of the type made by the Alaska program became part of the tax code in 1986, the Legislature responded by passing legislation to create the Corporation so that tax-exempt bond financing of the Alaska program could be used to replace direct appropriations. At that time, it made sense to create the Corporation as a financing entity but to leave the Commission in place to continue performing the duties it had performed for many years before the Corporation was created. However, as the years have passed and it has become clear that the Corporation is likely to continue to provide financing for the program and can also perform the duties of the Commission, the continuing need for the Commission is not as apparent.

As mentioned above, I believe the changes proposed by the Executive Order will not violate any provisions of outstanding bond documents of the Corporation and, moreover, I believe the changes are beneficial to the operation

Diane Barrans  
January 10, 1996  
Page 3

of the student loan program and financing efforts for the program. I am, of course, happy to respond to any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "K. E. Vassar", with a long horizontal flourish extending to the right.

Kenneth E. Vassar

cc: Teresa Williams  
Section Chief  
Fair Business Practices  
Attorney General's Office

Attachment C

**MEMORANDUM**

**State of Alaska**

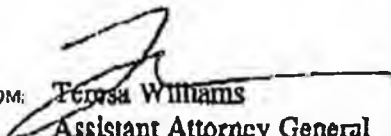
Department of Law

TO: Diane Barrans  
Executive Director  
Ak Postsecondary Edu., Comm'n

DATE: January 17, 1996

FILE NO.: 221-96-0022

TEL NO.: 269-5200

FROM:   
Teresa Williams  
Assistant Attorney General  
Fair Business Practices Section  
Anchorage

SUBJECT: EO 97 - Postsecondary  
Education Commission

In drafting the executive order transferring functions of the Alaska Commission on Postsecondary Education, all statutory functions must be transferred to another state entity -- whether or not those functions continue to be viable. In the attached memo, I noted that some mandates under AS 14.42.030(b) refer to federal laws that are no longer in effect. Additionally, you have advised me that no "consortium" exists as referenced in AS 14.42.030 and 14.42.055. Nevertheless, these functions had to be transferred, so they are transferred to the Department of Education along with the planning and advisory functions also transferred.

The resulting division of all of the commission's statutory functions between the Alaska Student Aid Corporation and the Department of Education is as follows:

STUDENT AID CORP.	DEP'T OF EDUC.
<i>Existing -- student loan financing, servicing, information dissemination, fund management, and related functions under current law: AS 14.42.100 - 14.42.390</i>	Resolve consortium disputes: AS 14.07.020(a)(16) and 14.07.032 Advisory function regarding consortia: AS 14.07.020(c)(4)
Student loan program administration consolidated in corporation: AS 14.42.195(a) and (b) (including repealed federal mandates)	Serve as state agency required under (repealed) federal mandates: AS 14.07.020(a)(17)-(19)
Appointment of executive officer, authorization of staff positions, establish salaries: AS 14.42.160	Advisory and planning function regarding postsecondary education: AS 14.07.020(c)(1)
Regulate postsecondary education institutions: AS 14.42.195(a)(3)	Advisory function regarding colleges and universities: AS 14.07.020(c)(2)
Administer WAMI Medical Exchange Program: AS 14.42.195(b)	Advisory function re: college and university budget requests: AS 14.07.020(c)(3)
Administer WICHE program: AS 14.44.035	Power to establish task forces, make studies, and collect data to carry out functions listed above: AS 14.07.030(14) and 14.07.033

Diane Barrans  
January 17, 1996

Page 2

To assist in reviewing the disposition of provisions that establish the Alaska Commission on Postsecondary Education and its functions, I've prepared the following:

EXISTING STATUTE	PLACEMENT BY EO	SEC.
AS 14.42.010	remains	
AS 14.42.015 - 14.42.025, 14.42.045	deleted	
14.42.030(a)	14.07.020(c)	4
14.42.030(b)(1), (2), and (6)	14.07.020(a)(16) - (18)	3
14.42.030(b)(3)	divided between 14.07.020(a)(19) and 14.42.195(a)(2)	311
14.42.030(b)(4) and (5)	14.42.195(a)(1) and (3)	11
14.42.030(c)	14.07.030(14)	5
14.42.030(d)	14.42.195(b)	11
14.42.032	14.42.215	14
14.42.035	14.07.033	6
14.42.040	14.42.160	9
14.42.050	14.42.180	10
14.42.055	14.42.032	6

#### REMAINING EXECUTIVE ORDER SECTIONS

Sec. 7 -- rename the corporation and move to the Department of Revenue

Sec. 8 -- expand membership of corporation board

Sec. 47 -- move regulation of the WICHE program to corporation

Sec. 76 -- move regulation of postsecondary educational institutions to corporation

Secs. 2, 12-13, 15-46, 48-75, and 77-84 -- necessary conforming changes to AS 08.02.025(a), AS 14.42.170, 14.42.200(18), 14.42.210(a) and (b), 14.42.390, AS 14.43.090 - 14.43.115, 14.43.120(b), (c), (f), (g), (i), (m), (r) and (t) - (v), 14.43.122(a), 14.43.125(a), 14.43.150(a), 14.43.160(1), 14.43.255(a) and (c), 14.43.300(g), 14.43.320(a), 14.43.415, 14.43.620, 14.43.630(a), 14.43.650(a), 14.43.720(a) and (b), 14.43.730, 14.43.740(d), 14.43.990, AS 14.48.010(a), 14.48.020, 14.48.030(b), 14.48.040 - 14.48.060, 14.48.070(a) - (c), (f), and (g), 14.48.080(a), (c), (d), and (f), 14.48.090(a), 14.48.100 - 14.48.150, 14.48.180 - 14.48.200, 14.48.210(2) - (4), AS 39.25.110(11), AS 39.50.200(32), and AS 43.23.067.

JAN-17-96 WED 14:46

AK. COMM 2nd ED.

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JAN-17-96 WED 14:24

FBPS

FAX NO. 2697898

P. 04/04

Diane Barrans  
January 17, 1996

Page 3

Sec. 85 -- Transition section

Sec. 86 -- March 9, 1996 effective date.

I will be available on conference from the Legislative Information Office in Anchorage during the joint House and Senate Health, Education, and Social Services committees' hearing on January 18, 1996 to answer any questions.

## MEMORANDUM

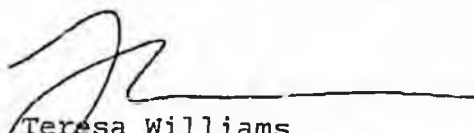
State of Alaska  
Department of Law

TO: Deborah Behr  
Assistant Attorney General  
Attorney General's Office

DATE: November 17, 1995

FILE NO.:

TEL. NO.: 269-5200

FROM:   
Teresa Williams  
Assistant Attorney General  
Fair Business Practices Section  
Anchorage

SUBJECT: Federal law changes  
affecting AS 14.42

AS 14.42.030(b) refers to a number of functions formerly mandated by federal law. Those laws are no longer in effect:

- (1) 20 U.S.C. §1142(a) and (b) codified sec. 1202 of Title XII  
repealed by sec. 1201 of P.L. 96-374
  - (2) prior 20 U.S.C. §1135 codified sec. 1001 of Title X  
repealed by sec. 100(a) of P.L. 96-374
  - (3) 20 U.S.C. §1005 (1986)  
replaced by P.L. 96-347 and sec. 101 of P.L. 99-48
- 20 U.S.C. §1123 (1986)  
replaced by P.L. 96-374
- 20 U.S.C. §1142 (a) and (b) codified sec. 1202 of Title XII  
repealed by sec. 1201 of P.L. 96-374

I recommend that these provisions be deleted in a revisor's bill.

TW:jjc

cc: Diane Barrans  
Gina Atkinson

**LEGAL SERVICES**

**DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA**

(807) 485-3867 or 485-2450  
FAX (807) 485-2029  
Mail Stop 3101

120 Seward Street, Suite 409  
Juneau, Alaska 99801-2105

MEMORANDUM

November 21, 1995

**SUBJECT:** Federal Law changes affecting AS 14.42  
**TO:** Deborah Behr  
Assistant Attorney General  
**FROM:** Pamela Finley *Pam*  
Revisor of Statutes

Thank you for sending me a copy of Teresa Williams' memo to you concerning federal law changes affecting AS 14.42. I will not attempt to amend AS 14.42.030(b) in the revisor's bill because I don't know whether the legislature would want to delete the references to the federal law or delete the requirements (which appear to arise from requirements of repealed federal law) in their entirety. However, I appreciate your bringing this to my attention. Assuming that a bill deleting the archaic references does not pass this session, I will add a note indicating that those federal laws have been repealed.

PF:glc  
95-449.glc

Post-It <sup>®</sup> Fax Note	7671	Date	11/23/95	# of pages	1
To	DEBORAH BEHR	From	TERESA WILLIAMS		
Co/Dept.	AK LEGISLATIVE	Co.	AK		
Phone #		Phone #	907.586.5200		
Fax #		Fax #			

**RECEIVED**

NOV 24 1995

Attorney General's Office  
Juneau

Sec. 4 ch 78 SLA 1974)  
REVISOR'S NOTES

Formerly AS 14.40.907. Renumbered in 1982.

**Sec. 14.42.030 Functions Of The Commission**

(a) The commission has the following functions, advisory to the governing boards of institutions of public and private higher education in Alaska, to the governor, the legislature, and to other appropriate state and federal officials:

(1) coordinate the development of comprehensive plans for the orderly, systematic growth of public and private postsecondary education, including community colleges and occupational education, in the state and submit recommendations on the need for, and location of, new facilities and programs;

(2) advise as to the functions and purposes of the colleges and universities, both public and private, in the state and counsel as to the programs appropriate to each;

(3) review the annual budgets and capital outlay requests of the University of Alaska and of each of the private colleges and universities in the state, and present comments on the general level of support sought;

(4) review and advise as to the working of all consortia and other cooperative agreements between the institutions of higher education in the state that are parties to them;

(5) (Repealed, Sec. 35 ch 126 SLA 1994.)

(b) The commission shall

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

(2) establish a state advisory council on community colleges and develop a comprehensive statewide plan for the expansion and improvement of the community colleges under sec. 1001 of Title X of the Higher Education Act of 1965, as amended by the Education Amendments of 1972 (P.L. 92-318, sec. 186; 86 Stat. 312, 313);

(3) serve as the state agency required under sec. 105 of Title I (Community Service and Continuing Education), 603 of Title VI (Financial Assistance for Undergraduate Education), 704 of Title VII (Construction of Academic Facilities), and Part B of Title IV (Guaranteed Student Loan Program) of the Higher Education Act of 1965 (P.L. 89-329; 79 Stat. 1220, 1262; 20 U.S.C. 1005, 1123) as authorized by sec. 1202(c) of Title XII of the Higher Education Act of 1965, as amended by the Education Amendments of 1972 (P.L. 92-318, sec. 196; 86 Stat. 324);

(4) administer the provisions of AS 14.43.090 - 14.43.160 (student loan program);

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

(6) resolve any disputes that exist or arise under a consortium or other cooperative agreement between institutions of public and private higher education in the state.

(c) The commission may establish task forces, committees or subcommittees, not necessarily consisting of commission members, to advise and assist the commission in carrying out its functions assigned by state or federal statute. The commission may contract with, or use, existing institutions of higher education or other individuals or organizations to make studies, conduct surveys, submit recommendations or otherwise contribute to the work of the commission. The commission may appoint a committee to be responsible for the area of student financial aid.

(d) The commission may enter into agreements with government or postsecondary education officials of this state or other states to provide postsecondary educational services and programs as state officials...

**CHARLIE PARR**  
909 John Kalinas Road  
Fairbanks, AK 99712  
(907) 488-2555

January 17, 1996

FAX to Rep. Con Bundy 465-3871

Thank you for notifying me of the hearing on Executive Order 97. I hadn't heard about it. Unfortunately I'm going into the hospital for surgery that morning and can't take part.

I did get and read the order. It seems to remove functions the Commission has never performed (to my knowledge), and reduces the new governing board to a more realistic size. The HESS and Finance Committee hearings may turn up matters my quick study didn't .

Best wishes.

Sincerely,

Charles H. Parr  
Commissioner