

SB

127

FISCAL NOTE

No. _____
 Bill version: SB127
 (S) Publish Date: 3/31/99

**STATE OF ALASKA
 1999 LEGISLATIVE SESSION**

Revision Date (Note if correction) _____	Dept. Affected <u>University of Alaska</u>	
Title <u>An Act relating to scholarships to attend the University of Alaska</u>	BRU	<u>University of Alaska</u>
Sponsor <u>Rules Committee</u>	Component	<u>Systemwide Budget Reductions & Additions</u>
Requester <u>Governor</u>	Component Serial No. _____	

Expenditures/Revenues

OPERATING EXPENDITURES	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services					
Travel					
Contractual					
Supplies					
Equipment					
Land & Structures					
Grants & Claims	494.1	1,360.8	2,011.5	2,497.5	2,708.1
Miscellaneous					
TOTAL OPERATING	494.1	1,360.8	2,011.5	2,497.5	2,708.1

CAPITAL EXPENDITURES					
-----------------------------	--	--	--	--	--

CHANGE IN REVENUES ()					
-------------------------------	--	--	--	--	--

FUND SOURCE

1002 Federal Receipts					
1003 GF Match					
1004 GF					
1005 GF/Program Receipts					
1037 GF/Mental Health					
1048 University Receipts	494.1	1,360.8	2,011.5	2,497.5	2,708.1
TOTAL	494.1	1,360.8	2,011.5	2,497.5	2,708.1

Estimate of any current year (FY99) cost: _____

POSITIONS

Full-time					
Part-time					
Temporary					

ANALYSIS: (Attach a separate page if necessary)

This bill provides for a scholarship of \$2,700/year for 4 years to the University of Alaska for students who meet the following criteria: (a) graduate within the top 10% of a graduating class of 30 students or more; (b) be one of the top 2 graduates of a graduating class of 15-29 students; or (c) be the top graduate of a class of less than 15 students. Based on information compiled by the Alaska Dept. of Education and the above criteria, 733 students would be eligible for the scholarship. This fiscal note assumes that 25% of potentially eligible graduates will take advantage of the program in FY00, and that 50% of potentially eligible graduates will take advantage of the program each year thereafter. It further assumes that 75% of each year's participants will enroll in the following year - i.e., 75% of the freshmen will enroll as sophomores, 75% of the sophomores will enroll as juniors, etc.

Prepared by <u>Pat Pitney, Director</u>	Phone <u>474-7958</u>
Division <u>UA Office of Budget and Institutional Research</u>	Date <u>3/29/99</u>
Approved by C. <u>Pat Pitney, Director</u>	Date <u>3/29/99</u>
Agency <u>UA Office of Budget and Institutional Research</u>	

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 2/1/00

FURTHER: Judiciary
Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 2/16/00

Health, Education and Social Services Committee considered SENATE BILL NO. 233

"An Act relating to priorities, claims, and liens for payment for certain medical services provided to medical assistance recipients; and providing for an effective date."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:
- same title
 - new title
- House Bill:
- same title
 - technical title
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Handwritten Signature]</i>	✓				
<i>[Handwritten Signature]</i>	✓				
<i>[Handwritten Signature]</i>	✓				
CHAIR: <i>Mike Miller</i>	✓	CHAIR: <i>1</i>			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
<i>DH&SS</i>	<i>1/24/00</i>		✓

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

UNIVERSITY OF ALASKA



~ A Multi-Campus System ~

Find out more

visit our web site:

www.alaska.edu/scholars/

email us:

scholars@alaska.edu

call our toll free number:

1-877-AKSCHOL

or (907) 474-5105

SCHOLARS PROGRAM

Information Booklet



Contact Information

mailing address:

UA Scholars Program
University of Alaska
Butrovich Building, Suite 207
P.O. Box 755120
Fairbanks, Alaska 99775-5120

phone numbers:

1-877-257-2465 toll free
907-474-5105 local & out of state
907-474-5140 tax

electronic address & homepage:

scholars@alaska.edu
www.alaska.edu/scholars

Linda Milliken, Program Administrator

policies, regulations and other applicable documents.

G. Amendment or Termination

The Board of Regents reserves the right to terminate, discontinue, or suspend this Program or to merge or consolidate this Program with other programs. This Program may be amended by authority of the University President at any time, except that any reduction in benefits awarded to Recipients shall be approved by the Board of Regents.

**Dispute
Procedure**

Disputes shall be resolved under existing campus procedure or such other procedures as the Program Administrator deems appropriate.

It is the intent of this Program that no rights are created which are the subject of judicial review. To the extent review is sought, further review may only be obtained by filing an appeal with the Superior Court of Alaska within 30 days of the final decision in accordance with Alaska Appellate Rule 602(a)(2).

Final decisions of the university shall be upheld unless shown to be discriminatory on some basis prohibited by state or federal law.

Introduction

It's a pleasure for me to announce that the University of Alaska Scholars Program is indeed a success. News of this new scholarship program has traveled rapidly throughout the entire state. This program has fostered an ongoing partnership between the University of Alaska and Alaska school districts, high school counselors and principals. We know that if we educate our young people in Alaska, the chances are substantially increased that they will stay in Alaska and become productive members of our unique state.

As I predicted, many UA Scholars award recipients who had considered other colleges have changed their plans and now attend the University of Alaska.

To all Alaska high schools, I hope this UA Scholars Program assists you in your efforts to achieve excellence in your student body. To all Alaska students, I hope this UA Scholars Program encourages you to excel in your studies.

We want you to attend the University of Alaska. Come experience higher education at its best— at the University of Alaska.

Mark Hamilton
President, University of Alaska

with applicable federal law and the laws of the state of Alaska. Jurisdiction and venue for any litigation arising out of the Program shall be solely in State District or Superior Court in Anchorage or Fairbanks, Alaska.

B. Transferability

UA Scholars Awards or eligibility for the Awards are not transferable to other individuals or recipients.

C. Income Tax Treatment

Benefit payments made under the Program may be subject to income tax reporting or withholding requirements. No representations, expressed or implied, are made herein as to the taxability of benefits received under this Program.

D. Correction of Errors

In the event an incorrect amount is paid to or on behalf of the recipient, such amount may be recovered from the recipient, or any remaining balances or payments may be adjusted to correct the error. The processing of adjustments which are de minimis in amount may be waived at the discretion of the Program Administrator.

E. Availability of Funds

All redemption or other distributions of benefits under this Program are subject to the availability of funds.

F. No Additional Rights

No person shall have a cause of action to recover damages arising out of this Program. Neither the establishment of this Program, the granting of an Award, nor any action of the university related to the Program shall be held or construed to confer upon any person any right to be or continue to be a student at the University. Nothing in the UA Scholars Program shall be construed to expand a student's rights beyond those provided in University

- Six years from the inception of the semester of initial redemption of the Award.

CONTENTS

Exceptions to Enrollment Expiration

If an eligible recipient enlists in the military, volunteers for a missionary assignment, or joins the Peace Corps, the deadline for initial redemption of the Award may be extended an additional 8 months (from 16 months to 24 months). To qualify for an extension the recipient must provide notice and documentation satisfactory to the Program Administrator prior to the deadline for initial redemption (fall semester of the year following high school graduation, which is 16 months for those graduating in May). The Program Administrator will notify the recipient whether an extension has been granted. Decisions by the Program Administrator are final.

Program Administrator

Appointment and Authority

A Program Administrator shall be appointed by the University President to carry out the day-to-day administration of the Program. The Program Administrator shall have all powers necessary or appropriate to carry out his or her duties. Any interpretation or action with respect to the Award and its administration shall be conclusive and binding upon any and all affected parties and persons.

Notices to the Program Administrator

Communications to the Program shall be addressed to the UA Scholars Program Administrator, University of Alaska, Butrovich Building, Suite 207, PO Box 755120, Fairbanks, Alaska, 99775-5120.

Other Provisions

A. Governing Law

The provisions of law and authoritative interpretations shall take precedence over any provisions of the UA Scholars Award. The Program shall be construed in accordance

Section I: Overview and Instructions.....3

- Purpose.....3
- UA Scholars Award.....3
- Other Funding Sources.....3
- Requirements for the High Schools.....4
- Requirements for the Scholar Recipient.....5
- Maintaining the UA Scholars Award.....5
- Limitations and Expiration.....6
- Extended Enrollment Eligibility.....6

Section II: Terms and Conditions.....7

- Purpose.....7
- UA Scholars Award.....7
- Qualified Alaska High School.....7
- Each participating qualified Alaska high school must:.....8
- Calculating the Top Ten Percent.....9
- Each participating qualified Scholar student must:.....9
- To use a UA Scholars Award the Recipient must:.....10
- Maintaining eligibility for the UA Scholars Award.....10
- Campus Designation or Choice.....11
- Other scholarships and financial assistance.....11
- Eligible Expenses.....11
- Expiration of UA Scholars Award.....11
- Exceptions to Enrollment Expiration.....12
- Program Administrator.....12
- Other Provisions.....12
- Dispute Procedure.....14

Campus Designation or Choice

A Recipient may choose to attend any campus of the University of Alaska, and may transfer to any campus of the University of Alaska. If a Recipient transfers between campuses of the UA system, the UA Scholars Award will move with them.

Other scholarships and financial assistance

The UA Scholars Award may be redeemed in cash for payment of Eligible Expenses at the beginning of the term, if the student's financial obligations to the University have been met for that semester. For example, a student with additional sources of funding from the Advance College Tuition (ACT) program or a similar prepaid tuition program, additional scholarship(s) or financial assistance may be reimbursed for overpayment. Redemption in cash shall be made in accordance with procedures established by the UA Scholars Program Administrator and the campus that the student is attending.

In certain circumstances, receipt of a UA Scholars Award may reduce the availability of financial assistance from other sources.

Eligible Expenses

Eligible Expenses means tuition, fees, room, board, books, supplies, transportation, and other educational costs incurred for attendance at the University of Alaska.

Expiration of UA Scholars Award

The UA Scholars Award expires:

- When the Recipient loses eligibility for redemption; or
- When the sum of the redemption under the Award equals the total amount of the award; or

Section I: Overview and Instructions

The reservation form includes:

- Name, address, date of birth and social security number of the scholar;
- Name of the high school(s) attended during the qualifying period; and
- Verification of United States citizenship or lawfully admitted permanent resident alien status.

Purpose

The purpose of the University of Alaska Scholars Program is to give Alaska's middle and high school students an incentive to achieve excellence, to nourish efforts by the school districts to provide high quality education and to encourage Alaska's top high school graduates to stay in Alaska for college.

To use a UA Scholars Award the Recipient must:

1. Be a U.S. citizen or an alien lawfully admitted for permanent residence in the United States;
2. Have successfully earned a high school diploma from a qualified Alaska high school;
3. Properly reserve the UA Scholars Program award; and
4. Be accepted into a certificate or degree program at any campus of the University of Alaska, by the fall semester of the year following high school graduation; and
5. Be enrolled as a full-time student at the University of Alaska.

UA Scholars Award

The UA Scholars Award is a four-year scholarship to the University of Alaska. The award amount is set by the Board of Regents. Award recipients from the graduating high school classes of 1999 and 2000 will receive \$1,350 per semester for eight semesters, a total value of \$10,800.

Maintaining eligibility for the UA Scholars Award

A Recipient must:

1. Be in good academic, financial, and student code of conduct standing in accordance with University of Alaska standards; and
2. Be making satisfactory academic progress toward completion of a certificate or degree program.

The UA Scholars Award is offered to students in the top 10 percent of their graduating class as determined by qualifying high schools. The determination is based on the student's class standing at the end of his/her junior year. Each qualified school is allowed to set its own selection criteria.

Other Funding Sources

Students who do not receive the UA Scholars Award are encouraged to contact a financial aid office at the University of Alaska. Many other sources of funding are available for students who choose to attend the University of Alaska including other scholarships, work-study programs, grants, and loans.

Requirements for the High Schools

In order to participate in the UA Scholars Program a qualified high school must be located in Alaska, accredited by the Northwest Association of Schools & Colleges, properly registered with the Alaska Department of Education or affiliated with a public school district in Alaska.

The School must:

- Establish the criteria for selecting the top 10 percent of their students. Typically, GPA is heavily considered. Additional factors may be considered; however, intention to enroll or not to enroll at the University of Alaska can not be used to determine a student's scholar eligibility. (*Section II: Terms and Conditions contains the full text for determining eligibility.*)
- Select the top 10 percent of the students at the end of their junior year. For instance, a graduating class with 270 students may nominate 27 eligible students. Schools with a class size of 1-14 students may nominate one student. Schools with a class size of 15-29 students may nominate two students. Tied ranking must be resolved by the school.
- Provide the UA Scholars Program with the names and addresses of the students nominated for the award. Eligible students will receive a letter of achievement and a reservation form for the scholarship from the University of Alaska. The university will provide each participating high school with Award certificates to present to their scholar recipients.

Calculating the Top Ten Percent

for those graduating in May) to begin using the award and may decide to enroll in the University after taking a year off or attending another institution.

The university will also send participating qualified high schools UA Scholars Award certificates to present to the scholar recipients.

To be eligible for a UA Scholars Award the student must meet one of the following standards at the end of their junior year at a qualified Alaska high school:

- For a class of 30 or more students, be in the top 10 percent of the class*; or
- For a class of 15 - 29 students, be one of the top two students; or
- For a class of less than 15 students, be the top student.

This is strictly 10% of the total number of students in the senior class. If your senior class has a total of 262 students, 26 students qualify ($262 \times .10 = 26$). There are no ties.

*NOTE: Students who do not meet the eligibility criteria at the end of their junior year, but subsequently qualify in the top 10% of their senior class, may submit a request for consideration of eligibility to the Program Administrator with certification from their high school at the end of their senior year.

Each participating qualified Scholar student must:

Reserve the Award
Reservation forms for the UA Scholars Award will be sent to each Scholar with their award letter. The completed form must be returned to UA Scholars Program Administrator in order to reserve the award.

Each participating qualified Alaska high school must:

1. *Establish Eligibility Criteria*
The qualified high school must determine which students are academically ranked in the top 10 percent of the graduating class, as of June, following their junior year. Typically, GPA is used as the criteria. Other factors may be considered; however, intention to enroll or not to enroll at the University of Alaska can not be used to determine scholar eligibility. *
2. *Provide Contact Information*
The qualified high school must provide the UA Scholars Program with sufficient information to identify eligible scholar recipients by October 15 each year (refer to the UA Scholars Eligibility Form). This information must include the names and addresses of the students ranked in the top 10 percent of the graduating seniors as established by the end of that class's junior year. (See *Calculating the Top Ten Percent.*)
3. *Verification of Award*
The Program Administrator will verify that the nominated students are eligible for the UA Scholars Award. The university will then send each eligible scholar a letter of achievement and a reservation form for the award. Verification of the award must come from the UA Scholars Program; communication from other sources will not confer eligibility.

*NOTE. A student who qualifies academically for the UA Scholars Award can not be excluded from receiving the award regardless of their intention to enroll or not to enroll at the University of Alaska. The UA Scholars Award is designed to provide an extra incentive for Alaska's best students, including students who are considering other options, to look at the educational opportunities that the University of Alaska has to offer them. The student has until the fall semester of the year following high school graduation (16 months

Requirements for the Scholar Recipient

Reserving the Scholars Award

Each scholar must complete and return a UA Scholars Reservation Form to the UA Scholars Program so that the award can be properly recorded for future use (see pg. 9). This form does not enroll the student at the University of Alaska. Students must apply for admission at the campus of their choice. Awards that are not claimed by the enrollment deadline will be forfeited.

Using the UA Scholars Award

The UA Scholar Award can be used at any UA campus. If a Recipient transfers between UA campuses, the Award moves with them. The Award can be used for tuition, fees, room, board, books, supplies, transportation, and other educational costs.

The Student must:

- Have successfully earned a high school diploma from a qualified Alaska high school.
- Have a complete UA Scholars reservation form on file with the Scholars Program.
- Apply for admission at a UA campus.
- Be accepted in a certificate or degree program.
- Be enrolled as a full-time student at the University of Alaska by the fall semester of the year following high school graduation (16 months for those graduating in May).

Maintaining the UA Scholars Award

The Student must:

- Make satisfactory academic progress in a certificate or degree program.
- Meet the academic, financial, and student conduct standing set by the University of Alaska.

Limitations and Expiration

The UA Scholars Award is only available for use at the University of Alaska. The Award is available for a total of 8 semesters. The semesters do not have to be consecutive but the award must be used within 6 years of the initial enrollment or the unused portion will expire.

The student must reserve the award with the UA Scholars Program and be enrolled as a full time student at a UA campus by the fall semester of the year following high school graduation or qualify for an extension or the award will expire.

Extended Enrollment Eligibility

The deadline for enrollment may be extended from 16 months to 24 months (8 additional months) if the recipient enlists in the military, volunteers for a missionary assignment, or joins the Peace Corps. The Program Administrator must be provided with proper notification and documentation by the fall semester of the year following high school graduation in order to be eligible for an extension. The Program Administrator will notify the recipient whether an extension has been granted. The Program Administrator's decision is final.

Section II: Terms and Conditions

Section II, as well as subsequent amendments or restatements, contains the official terms and conditions on which the UA Scholars Award is based and distributed.

Purpose

The purpose of the University of Alaska Scholars Program (also referred to as the "UA Scholars Award", "Award", or "Program") is to provide an incentive for Alaska's middle and high school students to achieve excellence, to nourish efforts of school districts to provide high quality education, and to encourage the top high school graduates in Alaska to attend the University of Alaska.

UA Scholars Award

The UA Scholars Award shall be awarded to each qualified recipient upon verification of eligibility. The amount of the Award shall be established by the Board of Regents and may be adjusted periodically without notice. The UA Scholars Award for the graduating high school classes of 1999 and 2000 is \$10,800 per recipient. The Award is redeemable in the amount of \$1,350 per semester for a total of eight semesters.

Qualified Alaska High School

To participate in the UA Scholars Program a high school must:

1. Be located in the State of Alaska; and
2. be accredited by the Northwest Association of Schools and Colleges; or be properly registered with the State of Alaska Department of Education; or be affiliated with a public school district in the State of Alaska.

TONY KNOWLES
GOVERNOR



P.O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 29, 1999

The Honorable Drue Pearce
Senate President
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Pearce:

Last year we put into place my Quality Schools initiative which will improve Alaska's public school system through required standards and testing and enhanced funding. This year it is fitting we take the next step toward quality education by establishing the Alaska Scholars Program. I first proposed this program last year as an incentive for Alaska high school students to achieve academic excellence and to choose to remain in Alaska in pursuit of higher education. Today, I am re-introducing this measure with the same hopes it will offer our kids a great education and help build the state's future.

Under the Alaska Scholars Program, scholarships would be awarded to the top 10 percent of high school students to attend the University of Alaska. A recipient could receive the scholarship for up to four years, provided he or she is successfully completing a full-time certificate or degree program. This program is also designed to provide maximum flexibility for students who may have additional financial aide and to allow recipients to benefit from the available federal tax credits.

After I proposed this program last year, the University of Alaska decided to establish it administratively as a pilot project using the Natural Resources Fund. In order for the program to continue, it is essential it be established in law. This would remedy confidentiality requirements that now make it difficult for schools to release the names of the scholarship recipients and for the University to contact them.

While the Alaska Scholars Program fiscal note is showing no general fund expenditure, it may well be that the Legislature decides to appropriate general funds in the future. Meanwhile, the University is prepared to use earnings from the Natural Resource Endowment, but this does mean that funds are being diverted from other projects and programs that are also of great value to the University and to the State.

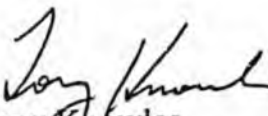
The Honorable Drue Pearce

March 29, 1999

Page 2

I urge your prompt and favorable action on this measure as a means to continue our efforts in improving the quality of education in our state and expand access to higher levels of learning.

Sincerely,



Tony Knowles
Governor



University of Alaska
Statewide Office of University Relations
PO Box 755200
Fairbanks, Alaska 99775-5200
(907) 474-7984

(Junkan)

TO: Senator Mike Miller, Chair
Senate HESS Committee

FROM: Ann Ringstad, Director, Government Relations
Statewide Office of University Relations

Ann Ringstad

DATE: April 19, 1999 ✓

RE: SB 127 – "An Act relating to scholarships to attend the University of Alaska;
and providing for an effective date."

The purpose of this memo is to request that you calendar the above referenced bill for a hearing in the House HESS Committee in the very near future.

The Board of Regents recently approved the University President's UA Scholars Program, and it has been fully implemented. This program provides a \$10,800 scholarship to the top ten percent of Alaska's high school seniors, commencing with the class of 1999.

This legislation is necessary for the following reasons:

1. To establish the UA Scholars Program in statute;
2. To obtain the necessary information from school districts throughout the state to award the scholarships.

Thank you for your consideration of this legislation.

FISCAL NOTE

STATE OF ALASKA

BILL NO. CSSB127/(HES)

2000 LEGISLATIVE SESSION

Revision Date (Note if correction) _____ Dept. Affected University of Alaska
 Title An Act relating to scholarships to attend the BRU Statewide
University of Alaska; and providing for an effective date. Component _____
 Sponsor _____
 Requester _____ Component Serial No. _____

Expenditures/Revenues

OPERATING EXPENDITURES	FY 01	FY 02	FY 03	FY 04	FY 05
Personal Services	5.5	45.5	45.5	45.5	45.5
Travel	4.0	4.0	4.0	4.0	4.0
Contractual	2.5	2.5	2.5	2.5	2.5
Supplies	5.0	5.0	5.0	5.0	5.0
Equipment					
Land & Structures					
Grants & Claims	1,652.8	2,406.3	3,107.5	3,454.0	3,679.5
Miscellaneous					
TOTAL OPERATING	1,709.8	2,463.3	3,164.5	3,511.0	3,736.5

CAPITAL EXPENDITURES					
-----------------------------	--	--	--	--	--

CHANGE IN REVENUES ()					
-------------------------------	--	--	--	--	--

FUND SOURCE

1002 Federal Receipts					
1003 GF Match					
1004 GF		*2,463.3	*3,164.5	*3,511.0	*3,736.5
1005 GF/Program Receipts					
1037 GF/Mental Health					
1048 University Receipts	1,709.8				
TOTAL	1,709.8	*2,463.3	*3,164.5	*3,511.0	*3,736.5

Estimate of any current year (FY00) cost: none

POSITIONS

Full-time	1	1	1	1	1
Part-time					
Temporary					

ANALYSIS: (Attach a separate page if necessary)

Provides for one clerical position to coordinate activities and process correspondence plus travel to attend UA Scholars events, supplies, and mailing costs. Assumes a fifty percent base capture rate of eligible students, a four year retention rate at fifty percent, and total scholarship cost capped at \$2,750 per participant per year.

This fiscal note assumes a return of capital payments from the Alaska Student Loan Corporation to partially fund the Alaska Scholars Program in years FY02 forward.

Prepared by Jim Lynch, Interim Vice President for Finance
 Division Statewide Finance
 Approved by Commission Jim Lynch, Interim Vice President for Finance
 Agency Statewide Finance

Phone 474-7448
 Date _____
 Date 2/11/00

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

UA Scholars Program

Participation Projection:

<u>Class Year</u>	<u>Total Pool</u>	<u>Capture Rate</u>	<u>Number Captured</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>
1999	780	35%	273		273	205	156	137	-	-
2000	792	50%	396			396	297	226	198	-
2001	804	53%	422				422	317	241	211
2002	816	55%	450					450	338	257
2003	828	58%	479						479	359
2004	840	61%	511							511
Number of scholars				-	273	601	875	1,130	1,256	1,338

Cost Projection:

Cost per scholar	\$0	\$2,700	\$2,750	\$2,750	\$2,750	\$2,750	\$2,750
Total scholarship costs	\$0	\$737,100	\$1,652,750	\$2,406,250	\$3,107,500	\$3,454,000	\$3,679,500

Significant assumptions:

Pool of graduates will increase annually by			1.5%
Capture rate for class year 2000			50.0%
Annual increase in capture rate			5.0%
Scholarship award FY00			\$10,800
Scholarship award FY01 and forward			\$11,000
Annual retention rates year 2, 3, 4	75%	57%	50%

CS FOR SENATE BILL NO. 127()

**IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIRST LEGISLATURE - SECOND SESSION**

BY

**Offered:
Referred:**

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to scholarships to attend the University of Alaska; and**
2 **providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** AS 14.43 is amended by adding new sections to read:

5 **Sec. 14.43.011. Purpose.** The purpose of AS 14.43.011 - 14.43.049 is to
6 establish the Alaska scholars program to provide incentives for high school students
7 in this state to achieve excellence, to nourish efforts of school districts to provide a
8 high quality education, and to provide opportunity for the highest achieving high
9 school graduates in this state to attend and graduate from the University of Alaska,
10 thus increasing the likelihood that these students will make this state their permanent
11 home

12 **Sec. 14.43.013. Creation of the Alaska scholars program.** There is created
13 the Alaska scholars program. The scholarship program is administered by the Board
14 of Regents of the University of Alaska.

1 * Sec. 2. AS 14.43 is amended by adding a new section to read:

2 **Sec. 14.43.016. Scholarship eligibility.** (a) To be nominated for a
3 scholarship from the Alaska scholars program, the student must

4 (1) be a United States citizen or an alien lawfully admitted for
5 permanent residence in the United States; and

6 (2) meet one of the following achievement standards, as determined by
7 each qualified high school in this state and as determined under guidelines established
8 by the board, at the end of the student's junior year:

9 (A) for a junior class of 30 or more students, be in the top 10
10 percent of the class;

11 (B) for a junior class of 15 - 29 students, be one of the top two
12 students;

13 (C) for a junior class of less than 15 students, be the top
14 student;

15 (b) To receive a scholarship disbursement from the Alaska scholars program,
16 the student must

17 (1) have a high school diploma from a qualified high school in this
18 state;

19 (2) by the fall semester that begins within 16 months following the
20 student's high school graduation, be accepted into a certificate or degree program of
21 the University of Alaska; and

22 (3) be enrolled as a full-time student at the University of Alaska.

23 (c) To maintain eligibility for a scholarship disbursement under AS 14.43.021,
24 the student must

25 (1) each semester, register at the University of Alaska for courses
26 totaling at least 12 credit hours;

27 (2) be in good standing in accordance with University of Alaska
28 institutional and program standards; and

29 (3) be making progress toward completion of a certificate or degree
30 program.

31 * Sec. 3. AS 14.43 is amended by adding a new section to read:

1 **Sec. 14.43.021. Scholarship award.** Subject to appropriation, the president
2 of the University of Alaska shall award to an eligible student under the Alaska scholars
3 program a scholarship of \$10,800, to be disbursed in the amount of \$1,350 each
4 semester. Disbursements under this section may not be made for more than eight
5 semesters or for enrollment commencing more than six years after initial enrollment
6 at the University of Alaska.

7 (b) The award may be used only for tuition, fees, room, board, books, supplies,
8 necessary transportation, and other costs incurred for attendance at the University of
9 Alaska.

10 (c) The board may adjust the amount, terms, or conditions of the scholarship
11 award and disbursement to reflect changes in the cost of education or to reflect other
12 considerations.

13 * **Sec. 4.** AS 14.43 is amended by adding new sections to read:

14 **Sec. 14.43.031. Financing; administration.** (a) The Alaska scholars program
15 is financed from a fund administered by the board. The fund consists of
16 appropriations from the general fund, appropriations of university receipts, and
17 appropriations of income and earnings of the fund. Appropriations to the fund do not
18 lapse. The fund may be used only to finance the Alaska scholars program.

19 (b) The board may discontinue, terminate, or modify the scholarship program
20 on a retroactive basis if sufficient funds are not available to make awards or
21 disbursements from the fund.

22 (c) The board may adopt regulations, orders, or plans to implement
23 AS 14.43.011 - 14.43.049.

24 **Sec. 14.43.049. Definitions.** In AS 14.43.011 - 14.43.049,

25 (1) "board" means the Board of Regents of the University of Alaska;

26 (2) "qualified high school" means a public high school, a high school
27 accredited by the Northwest Association of Schools and Colleges, or a high school
28 approved by the board;

29 (3) "scholarship program" means the Alaska scholars program.

30 * **Sec. 5.** AS 14.43.510(g) is amended to read:

1 (g) This section does not apply to loans received by a person under
2 AS 14.43.011 - 14.43.160 [AS 14.43.010 - 14.43.160] or 14.43.710 - 14.43.750.

3 * Sec. 6. AS 14.43 is amended by adding a new section to read:

4 **Sec. 14.43.940. Scholarship program information.** (a) The board shall
5 make information about the Alaska scholars program and other scholarship programs
6 available to each school district in the state and at each campus of the University of
7 Alaska.

8 (b) By September 15 before each annual graduation, a qualified high school
9 in the state with a high school graduating class shall provide

10 (1) to the board a list of the names and addresses of students in the
11 graduating class who meet eligibility requirements for the Alaska scholars program and
12 other scholarship programs as requested by the board; and

13 (2) to those students on the list prepared under (1) of this subsection
14 a notice of eligibility for the scholarship program and notice that the eligibility is
15 subject to confirmation by the board.

16 (c) A school district shall amend its policies, including those applying to
17 student directory information, as necessary to comply with this section.

18 (d) A qualified high school may not provide to the board the name of a student
19 if the parent or legal guardian of the student objects to the disclosure.

20 (e) In this section,

21 (1) "board" means the Board of Regents of the University of Alaska;

22 (2) "qualified high school" has the meaning given in AS 14.43.049.

23 * Sec. 7. AS 14.43.010, 14.43.015, 14.43.020, 14.43.025, 14.43.030, 14.43.050, 14.43.055,
24 14.43.060, 14.43.065, and 14.43.075 are repealed.

25 * Sec. 8. The uncodified law of the State of Alaska is amended by adding a new section
26 to read:

27 **APPLICABILITY.** This Act applies to students who were in their senior year of high
28 school in the 1999-2000 or a subsequent school year.

29 * Sec. 9. The uncodified law of the State of Alaska is amended by adding a new section
30 to read:

31 **TRANSITION.** A person who is attending the University of Alaska and receiving a

1 scholarship under the provisions of AS 14.43.010 - 14.43.075 as those provisions existed on
2 the day before the effective date of this Act shall retain the scholarship as long as the student
3 satisfies the provisions of AS 14.43.010 - 14.43.075, as those provisions existed on the day
4 before the effective date of this Act.

5 * **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 REVISOR'S INSTRUCTION. The revisor of statutes is requested to change the
8 heading of art. 1 of AS 14.43 from "Article 1. University of Alaska Scholarships for High
9 School Graduates" to "Article 1. Alaska Scholars Program."

10 * **Sec. 11.** This Act takes effect immediately under AS 01.10.070(c).