

HB

284

Representative Mike Hawker

Alaska State Legislature



House Bill 284 Sponsor Statement

Session:

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Short Title: PFD Allowable Absence: Fellowships

HB 284 corrects an inequity in our statutes regarding allowable absences for Permanent Fund Dividends. Current law provides for an allowable absence for students who are "receiving vocational, professional, or other specific education on a full-time basis for which, as determined by the Alaska Commission on Postsecondary Education, a comparable program is not reasonably available in the state." For some reason, the above statutory language has been interpreted by regulation to exclude students who are participating in an international educational exchange under a U.S. Fulbright Scholarship.

The Fulbright Scholar Program, which was signed into law by President Truman in 1946, is sponsored by the United States Department of State, Bureau of Educational and Cultural Affairs. Every year, the program sends 800 scholars and professionals, chosen for their academic merit and leadership potential, to more than 150 countries, where they lecture or conduct research in a wide variety of fields.

Those chosen for the Fulbright program represent Alaska and the United States in foreign countries all over the world. Grants are typically for three months to one year. I encourage you to support this bill and correct this inequality in our current law.

To the Members of the Alaska Legislature,

As a former Fulbright Scholar to Italy (Politecnico di Milano, Milan, Italy, 10/2004 - 07/2005), I fully support House Bill 284 which would modify the language of the current Permanent Fund Dividend statutes to include the Fulbright Scholarship as an acceptable educational absence. The Fulbright Scholarship is a federally awarded scholarship from the US Department of State in partnership with countries around the world to foster understanding and learning. It is an extremely valuable academic experience for those fortunate enough to earn its honours, and is unparalleled in its breadth of influence both culturally and academically. By its nature it has allowed students from around the world to study within the US, and possibly more importantly, for United States citizens to perform academic research in the arts and sciences around the world. It acts to promote learning and understanding, and Alaskans who have worked hard enough to act as a Fulbright "cultural attaché" and scholar representing Alaska and the United States should not be penalized by the state for their absence, but rather have it recognized for what it is.

I personally am not a proponent of the Permanent Fund Dividend, nor retroactive amendments. However, in this case I believe that the clear intent of the original statute shows support for scholars such as Fulbrighters, and as the initial wording failed to specifically highlight its support, such scholars should be awarded where literal interpretation of the regulations failed to do justice. Furthermore, as many legislators are concerned about the return of students who travel outside the state for their education, I would like to offer that this is one incentive by which the state could encourage the return of such people. In my own case, I know that although I have not received a dividend since the 2005 award, I have continued to show my intent to return to Alaska through investment in a house in Anchorage and maintaining the majority of my personal belongings there, staying active in Alaska politics, and continuing to pay the additional fees for out-of-state tuition in my current graduate work at the University of California San Diego, so that I may continue to be who I am – an Alaskan.

Thank you for your consideration of House Bill 284, and I thank you for your support.

Sincerely,

Robb M. Kulin
Ph.D. Candidate
Materials Science & Engineering
University of California, San Diego

My name is Demian Schane, and I live at 836 Calhoun Avenue in Juneau, Alaska. Thank you for the opportunity to submit testimony. I make this statement as an individual and on my own behalf.

I applaud the efforts of Representative Hawker and urge all legislators to support HB 284. I would like to echo Representative Hawker's sentiment that HB 284 does not add a new excusable allowance to the existing list. Rather, it restores the Legislature's original intent to support residents who leave the State for educational purposes and who plan to return to the State and enter the work force upon completion of their education. That is precisely what I and several other Alaskans have done, and it makes sense to encourage those activities.

It is my understanding that, based on an interpretation by the PFD Division, the current PFD statute precludes Alaskans who receive U.S. sponsored fellowships to study outside of the U.S. from retaining their residency for purposes of PFD eligibility. Every year, a handful of Alaskans are offered such fellowship opportunities. In my case, I spent 10 months in Iceland on a U.S. Fulbright grant studying the European Union's mechanisms for regulating fish escapes from farm fishing operations. I designed the project specifically because Iceland and Alaska are in a similar situation – they both support and depend on commercial fisheries for their economies and are concerned about the growth and expansion of aquaculture operations. The EU has substantial experience in studying the effects of aquaculture, and I figured it would be a great opportunity to learn more in that area and import home that learning.

The Fulbright Program is funded through the U.S. Department of State and it promotes a cultural and educational exchange program in numerous foreign countries. The grantees can enroll in a foreign university or conduct research independently under the auspices of a university or professional organization. U.S. sponsored fellowships such as the U.S. Fulbright Program are professionally and personally rewarding. I hope that the Legislature recognizes and supports its fellow Alaskans' efforts to pursue such opportunities by allowing them to do so without losing their residential status and eligibility for a PFD disbursement.

Finally, since HB 284 seeks to restore the Legislature's original support, I believe it makes sense to make it retroactive. I understand that the result of doing so would have extremely small, if not zero, consequences on the Department of Revenue since the PFD Division withholds a certain amount of money to cover situations similar to this one.

Thank you for your time and consideration.



INSTITUTE OF
INTERNATIONAL
EDUCATION

Fulbright Program for U.S. Students - Sponsored by U.S. Department of State

Date Printed: Wednesday January 16, 2008

ABOUT - FULBRIGHT

Page location: <http://us.fulbrightonline.org/about.html>

"Fostering leadership, learning and empathy between cultures was and remains the purpose of the international scholarship program." - Senator J. William Fulbright

THE FULBRIGHT PROGRAM:

- Is sponsored by the U.S. Department of State.
- Is the largest U.S. international exchange program offering opportunities for students, scholars, and professionals to undertake international graduate study, advanced research, university teaching, and teaching in elementary and secondary schools worldwide.
- Was established in 1946 by the U.S. Congress to "enable the government of the United States to increase mutual understanding between the people of the United States and the people of other countries."
- Awarded approximately six thousand grants in 2006, at a cost of more than \$235 million, to U.S. students, teachers, professionals, and scholars to study, teach, lecture, and conduct research in more than 150 countries, and to their foreign counterparts to engage in similar activities in the United States.
- Receives its primary source of funding through an annual appropriation from Congress to the Department of State. Participating governments and host institutions in foreign countries, and in the United States, also contribute financially through cost-sharing and indirect support, e.g., through salary supplements, tuition waivers, and university housing.



J. William Fulbright

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Program History

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U.S. Department of State

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Program Design

The U.S. Student Program

ABOUT - PROGRAM HISTORY

Page location: http://us.fulbrightonline.org/about_programhistory.html

"The Fulbright Program aims to bring a little more knowledge, a little more reason, and a little more compassion into world affairs, and thereby to increase the chance that nations will learn at last to live in peace and friendship." - J. William Fulbright

In 1945, **Senator J. William Fulbright** introduced a bill in the United States Congress that called for the use of proceeds from the sale of surplus war property to fund the "promotion of international good will through the exchange of students in the fields of education, culture, and science."

On August 1, 1946, President **Harry S. Truman** signed the bill into law, and Congress created the Fulbright Program.

The J. William Fulbright Foreign Scholarship Board (FSB) was created by Congress to supervise the Fulbright Program. This 12-member Board, appointed by the President of the United States, works in cooperation with the Bureau of Educational and Cultural Affairs of the U.S. Department of State, binational Fulbright Commissions and Foundations, and Public Affairs Sections of U.S. Embassies abroad, to administer the Program. The FSB sets policies and procedures for administration of the Fulbright Program, has final authority for selection of all grantees, and supervises the conduct of the program both in the United States and abroad. [Click here for a complete list of current FSB members.](#)

The primary source of funding for the Fulbright Program is an annual appropriation from Congress to the Department of State. Participating governments and host institutions in foreign countries, and in the United States, also contribute financially through cost-sharing and indirect support, e.g., through salary supplements, tuition waivers, and university housing.

The Fulbright U.S. Student Program is now the largest U.S. exchange program offering opportunities for students and young professionals to undertake international graduate study, advanced research, university teaching, and teaching in elementary and secondary schools worldwide. The U.S. Student Program currently awards approximately 1,300 grants annually in all fields of study, and operates in more than 140 countries worldwide.

Since the establishment of the Program, more than 45,000 students from the United States and 148,000 students from other countries have benefited from the Fulbright experience.

The Fulbright Program has provided more than 250,000 participants, chosen for their leadership potential, with the opportunity to observe each others' political, economic and cultural institutions, exchange ideas, and embark on joint ventures of importance to the general welfare of the world's inhabitants.

U.S. Fulbright Student alumni populate an entire range of professions and include heads of state, cabinet ministers, ambassadors, Members of Congress, judges, heads of corporations, university presidents, journalist, artists, professors, and teachers. Actor **John Lithgow**, composer **Philip Glass**, opera singer **Renee Fleming** and economist **Joseph Stiglitz** are among notable former grantees.

- From its inception, the Fulbright Program has fostered bilateral relationships in which other countries and governments work with the U.S to set joint priorities and shape the Program to meet shared needs. The world has been transformed in ensuing decades, but the fundamental principle of international partnership remains at the core of the Fulbright mission.



President Harry S. Truman signs the Fulbright Act into law, 1946.



President John F. Kennedy signs the Fulbright-Hays Act into law, 1961.

ABOUT - U.S. DEPARTMENT OF STATE

Page location: http://us.fulbrightonline.org/about_us.html

The United States Department of State's Bureau of Educational and Cultural Affairs (ECA) sponsors the Fulbright Program under policy guidelines established by the J. William Fulbright Foreign Scholarship Board (FSB) and in cooperation with binational Fulbright Commissions/Foundations and Public Affairs Sections of U.S. Embassies abroad.

As the administrative and executive arm of the Fulbright Program, the Bureau has fiscal responsibility for the preparation of an annual budget request to Congress and makes decisions on funding allocations to participating countries. Under policies established by the J. William Fulbright Foreign Scholarship Board, **ECA** also holds primary responsibility for the administration of the Program, together with the assistance of cooperating non-profit organizations. The Bureau's contribution to the Fulbright Program in 2006 amounted to \$184.6 million.

Within a U.S. Embassy abroad (the **Post**), exchange-program activities are the responsibility of a **Public Affairs Officer (PAO)** or a **Cultural Affairs Officer (CAO)**. At least one of these officers is a member of the local **Binational Commission** and maintains liaison with the Commission on policy and program matters on behalf of the Bureau. In countries without a Commission, the PAO or CAO administers the educational exchange program.

[HTTP://US.FULBRIGHTONLINE.ORG/THINKING_ELIGIBILITY.HTML](http://us.fulbrightonline.org/thinking_eligibility.html)

Page location: http://us.fulbrightonline.org/about_programdesign.html

THE U.S. STUDENT PROGRAM:

- Awards grants to U.S. citizens in all fields of study
- Operates in more than 140 countries worldwide
- Awards more than 1,400 grants to U.S. students to study overseas
- Offers one academic year of study, research, or teaching assistantship experience
- Projects may include university course work, independent library or field research, or professional training in the arts.
- Preference will be given to candidates who have not had extensive recent experience abroad (excluding recent undergraduate study abroad), especially in the country of applications

THE U.S. STUDENT PROGRAM IS DESIGNED FOR:

- Recent BA/BS graduates,
- Master's, and doctoral candidates
- Young professionals, including writers, journalists, and those in law, business, and other professional fields
- Artists and musicians

FISCAL NOTE

STATE OF ALASKA
2008 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 284
 (H) Publish Date: 1/24/08

Identifier (file name): HB284-DOR-PFD-1-21-08

Dept. Affected: Revenue

Title: PFD Allowable Absence: Fellowships

RDU: Permanent Fund Dividend Division

Component: Permanent Fund Dividend Division

Sponsor: Reps. Hawker, Kerttula

Requester: House State Affairs

Component Number: 981

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
OPERATING EXPENDITURES								
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1050 PFD Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2008) cost: 0.0

POSITIONS

Full-time	0.0	0.00	0	0	0	0	0
Part-time		0					
Temporary		0					

ANALYSIS: (Attach a separate page if necessary)

PFD already has an education type absence category, and would incorporate this proposed absence reason into the current educational category, within its forms and databases. The financial effect to the operating expenses of the PFD program are anticipated to be minimal.

Prepared by: Amy Skow, Division Manager
 Division: Permanent Fund Dividend Division
 Approved by: Jerry Burnett
Department of Revenue

Phone: 907 465-4784
 Date/Time: 1/18/08 4:35 PM
 Date: 1/21/2008