

SB

221

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 1/19/10

FURTHER: Finance

Date of 5-Day Notice: 1/21/10
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 1/29/10

Education Committee considered SENATE BILL NO. 221

SB 221 LEGISLATIVE TASK FORCE ON HIGHER ED

"An Act establishing an advisory task force on higher education in the legislative branch of government; and providing for an effective date."

and recommends:

- be replaced with SCS or CS SB 221 (EDC)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:
 Same Title
 New Title

HOUSE BILL:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____


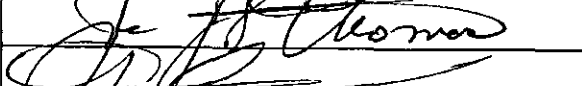
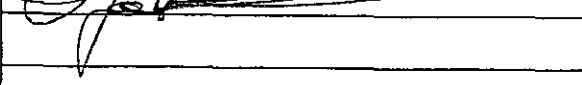
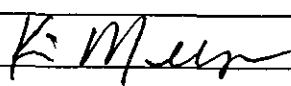
NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
EEO	1/25			✓	1
LAA	1/25	✓			2
EEO	1/22			✓	3

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	DAVIS	✓			
	Thomas	✓			
	Street	✓			
CO-CHAIR: 	Meyer	✓			
CO-CHAIR: _____					

ALASKA STATE LEGISLATURE



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Alaska State Capitol
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305 Center Ave, Ste 1
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Senator Gary Stevens.
President of the Senate

SPONSOR STATEMENT **Senate Bill 221**

Excerpt from NCSL's "The Path to a Degree" by Brenda Bautsch, November 2009:

"America is no longer the world leader in education. U.S. performance at the K-12 and postsecondary levels is falling behind other countries. According to the Organization for Economic Co-operation and Development (OECD), America and Germany are the only two OECD countries where the younger generation is actually less educated than the older generation. In February 2009, President Obama declared the lack of educational attainment in the United States a 'prescription for economic decline, because we know the countries that out-teach us today will out-compete us tomorrow,' and he set a goal for the United States to reclaim its position as the leader in college graduates by 2020. To accomplish that, states need to set their own college completion goals; study and diagnose where and why students are dropping out of the education system; and target state policy to those problem areas. Effective state policy can help more students obtain college degrees, be successful in life and contribute to the economy."

Alaska has seen this problem growing for many years. There is a disconnect in our education system. If enrollment in and completion of some form of higher education is the goal, then we must clearly identify why our students are failing to perform and devise a means to help them succeed. There are several challenges that must be faced. We have the resources to improve the situation, and Senate Bill 221 calls for the stakeholders to assemble and devise a plan to do so.

This task force will serve to identify ways to strengthen the education pipeline, improve student preparation for college, decrease the need for remediation in college, improve access to financial aid, increase retention and graduation rates in postsecondary education, provide enhanced funding and governance for our education system, address data and tracking needs, and ultimately to support economic development vis-à-vis a better trained, better educated citizenry.

Thank you for your consideration of this worthwhile legislation.

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSSB 221(EDC)
 (S) Publish Date: 2/1/10

Identifier (file name): SB221-EED-ACPE-01-25-10 Dept. Affected: Education
 Title An Act establishing an advisory task force on higher RDU ACPE
education in the legislative branch of government;... Component Program Administration and
 Sponsor Senator Stevens Operations
 Requester (S)EDC Component Number 2738

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	Appropriation Required	Information					
	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: *(Attach a separate page if necessary)*
 Participation in higher education related working groups, advisory bodies, etc. are within the regular duties of ACPE's executive. As currently drafted, ACPE costs related to quarterly meetings would be diminimus and absorbed within existing budget authority.

Prepared by: Diane Barrans, Executive Director
 Division: Alaska Commission on Postsecondary Education
 Approved by: Diane Barrans, Executive Director
Alaska Commission on Postsecondary Education

Phone 907-465-6740
 Date/Time 1/25/10 9:00 AM
 Date 1/25/2010

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSSB 221(EDC)
 (S) Publish Date: 2/1/10

Identifier (file name): SB221-LEG-LOB-01-25-10 Dept. Affected: Legislature
 Title: "An Act establishing an advisory task force on higher education in RDU Legislative Operating Budget
education in the legislative branch of government;..." Component: Legislative Operating Budget
 Sponsor: Senators Stevens, McGuire
 Requester: Senate Education Committee Component Number: 796

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	Appropriation Required	Information					
	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Personal Services							
Travel	14.0						
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	14.0	0.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts							
1003 GF Match							
1004 GF	14.0						
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	14.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

SB 221 establishes an Advisory Task Force on Higher Education in the Legislative Branch of government. The Task Force consists of 13 members from various education and government entities. Members serve without compensation but are entitled to per diem and travel expenses. The legislation provides that per diem and travel expenses shall be paid from the budget of the agency or institution the member represents on the Task Force. The agency or institution can opt out of participating to avoid payment of per diem and travel expenses. The Legislature has two members on the Task Force, the Chairs of the Senate and House Education Committees.

It is anticipated that the Task Force will hold six meetings. Travel costs for the Legislators and staff are included in this fiscal note for two meetings in Anchorage and two meetings in Fairbanks. The other two meetings will be teleconferenced. The costs for employees of the Education Committee Chairs to staff the Task Force, costs for teleconferencing meetings, and printing the final the report which is due March 1, 2011 will be absorbed within existing budgets.

Prepared by: Karla Schofield, Deputy Director
 Division: Legislative Affairs Agency
 Approved by: Pamela Varni, Executive Director
Legislative Affairs Agency

Phone: 465-6626
 Date/Time: 1/25/10 1:43 PM
 Date: 1/25/2010

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: CSSB 221(EDC)
 (S) Publish Date: 2/1/10

Identifier (file name): SB221-EED-ESS-1-22-10 Dept. Affected: Education & Early Development
 Title: "An Act establishing an advisory task force on higher education in the legislative branch of government..." RDU: Education Support Services
 Sponsor: Senators Stevens & McGuire Component: Executive Administration
 Requester: Education, Finance Component Number: 2736

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING		0.0	0.0	0.0	0.0	0.0	0.0	0.0

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

	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

There is no fiscal impact on the Department of Education and Early Development

Prepared by: Eddy Jeans
 Division: School Finance
 Approved by: Larry LeDoux
 Commissioner

Phone 465-8679
 Date/Time 1/22/10 12:00 AM
 Date 1/22/2010

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 4
 Bill Version: CSSB 221(EDC)
 (S) Publish Date: 3/10/10

Identifier (file name): _____ Dept. Affected: Legislature
 Title Legislative Task Force on Higher Education RDU Legislative Operating Budget
 Component Legislative Operating Budget
 Sponsor Stevens
 Requester Senate Finance Committee Component Number 796

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	Appropriation Required	Information					
	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

SB 221 establishes an Advisory Task Force on Higher Education in the Legislative Branch. The Task Force consists of 13 members from various entities. Members serve without compensation but are entitled to per diem and travel expenses paid from the budget of the agency or institution the member represents. It is anticipated that the Task Force will hold six meetings; two in Anchorage, two in Fairbanks and two via teleconference. The Legislature has two members on the Task Force, the Chairs of the Senate and House Education Committees. Travel and support costs for the Legislators and staff will be absorbed within the Legislature's existing budget.

Prepared by: Senate Finance Committee
Co-Chair Bert Stedman

Phone 465-3873
 Date/Time 3/5/10 12:50 PM

Approved by: _____

Date 3/5/2010

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 5
 Bill Version: HCS CSSB 221(FIN)
 (H) Publish Date: 4/17/10

Identifier (file name): (H)CS(S)CSSB221(FIN)-EED-TLS-4-16-10 Dept. Affected: Education
 Title An Act relating to the AlaskAdvantage education grant program; RDU Teaching & Learning Support
relating to professional student exchange... Component School & Student Achievement
 Sponsor Sen. Stevens
 Requester House Finance Component Number 2796

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services	87.3		87.3	87.3	87.3	87.3	87.3	87.3
Travel								
Contractual								
Supplies	12.7							
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING	100.0	0.0	87.3	87.3	87.3	87.3	87.3	87.3

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

	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
1002 Federal Receipts							
1003 GF Match							
1004 GF	100.0		87.3	87.3	87.3	87.3	87.3
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	100.0	0.0	87.3	87.3	87.3	87.3	87.3

Estimate of any current year (FY2010) cost: _____

POSITIONS

	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Full-time	1.0		1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

Teaching and Learning Support will need to hire one staff member to oversee the promulgation and implementation of the department's regulations along coordination between EED, the University of Alaska, Department of Labor and Workforce Development and the Alaska Commission on Postsecondary Education (ACPE).

Education Specialist I at \$87,306 plus start-up office supplies (computer, etc.) at \$12,694 = \$100,000

Prepared by: Eddy Jeans, Director Phone 465-8679
 Division School Finance and Facilities Date/Time 4/16/2010
 Approved by: Larry LeDoux Date 4/16/2010
Commissioner

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 6
 Bill Version: HCS CSSB 221(FIN)
 (H) Publish Date: 4/17/10

Identifier (file name): (H)CS(S)CSSB221(FIN)-EED-ACPE-04-16-10 Dept. Affected: Education
 Title An Act relating to the AlaskAdvantage education grant program; RDU ACPE
relating to professional student exchange... Component Program Administration and
 Sponsor Senator Stevens Operations
 Requester (H)FIN Component Number 2738

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual	250.0	250.0						
Supplies								
Equipment								
Land & Structures								
Grants & Claims	400.0	400.0	9,321.9	15,489.3	19,602.0	21,656.6	21,656.6	
Miscellaneous	0.0		0.0	0.0	0.0	0.0	0.0	
TOTAL OPERATING	650.0	650.0	9,321.9	15,489.3	19,602.0	21,656.6	21,656.6	

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

1002 Federal Receipts							
1003 GF Match							
1004 GF	650.0	650.0	9,321.9	15,489.3	19,602.0	21,656.6	21,656.6
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	650.0	650.0	9,321.9	15,489.3	19,602.0	21,656.6	21,656.6

Estimate of any current year (FY2010) cost: 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

Relative to ACPE this bill: 1) establishes an administrative role for the agency relative to managing the Alaska Merit Scholarship program, 2) amends the existing AlaskAdvantage Education Grant program by increasing the annual maximum grant award from \$2,000 to \$3,000 per recipient, and 3) modifies Alaska's participation in the Western Interstate Commission on Higher Education's (WICHE) Professional Student Exchange Program (PSEP) by setting an annual minimum number of loans to support Alaska participants in the pharmacy, dentistry, and optometry fields of study.

The contractual funds noted above represent the cost of implementation for scholarship management software.

Prepared by: Diane Barrans, Executive Director
 Division Alaska Commission on Postsecondary Education
 Approved by: Diane Barrans, Executive Director
Alaska Commission on Postsecondary Education

Phone 465-6740
 Date/Time 4/16/2010
 Date 4/16/2010

FISCAL NOTE #6

STATE OF ALASKA
2010 LEGISLATIVE SESSION

BILL NO. HCS CSSB 221(FIN)

ANALYSIS CONTINUATION

It is important to note the costs reflected in FY12 and subsequent years represent the administration's best estimate. However, given that the bill also establishes a Task Force, the recommendations of which could substantially alter related program costs, these estimates may be characterized as tentative pending the Task Force reports.

Assumptions:

- 1) Baseline count of high school graduates (8,008) based on 2009 data.
 - 2) Referenced utilization rate of 28.8% for similarly structured program in WY. While Alaska has lower college-going rates historically than WY, in recent years a higher percentage of students continuing to postsecondary education have attended Alaska institutions.
 - 3) Per student Alaska Merit Scholarship award amount is an average of all award levels.
 - 4) Scholar attrition rate is 25% per year based upon UA five-year graduation rate data.
- Participation numbers are assumed to be: Year 1=2,305; Year 2=4,034; Year 3=5,187; Year 4=5,763

In Wyoming, approximately 28.8% of graduates utilize the merit scholarship program.
At the same utilization rate, an estimated 2,305 AK high school grads will earn a scholarship.

Per Education Trust, the graduation rate after 5 years for UAF is 25% and UAA is 16.5%.
The four-year graduation rate is significantly lower.

Cohort: 2,305 students per year

	Participation rates	Number of Students	Average Scholarship	Est. annual cost	Year 1 Est. cost	Year 2 Est. cost	Year 3 Est. cost
Year 1	100%	2,305	\$3,567	\$ 8,221,935	\$8,221.9		
Year 2	75%	1,729	\$3,567	\$ 6,167,343		\$14,389.3	
Year 3	50%	1,153	\$3,567	\$ 4,112,751			\$18,502.0
Year 4	25%	576	\$3,567	\$ 2,054,592			
Est. merit-based cost (full implementation)		5,763		\$20,556,621			

As noted above, pending Task Force examination of the appropriate level of additional needs based aid, funding for the AlaskAdvantage Education Grant is requested at a continuation level relative to the annual average amounts paid out over the past four years—approximately \$1.05 million. The FY11 grant funding in the amount of \$400,000 will supplement the \$620,000 remaining from the FY09 capital budget appropriation of \$2.5 million. In FY12 and later years, \$1.1 million for program funding is included in the program costs noted herein.

There are no costs anticipated relative to the changes to the PSEP loan program.

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 7
 Bill Version: HCS CSSB 221(FIN)
 (H) Publish Date: 4/17/10

Identifier (file name): WD26-LS1309W-LEG-COU-4-16-10 Dept. Affected: Legislature
 Title: "An Act relating to the AlaskAdvantage RDU: Legislative Council
education grant program; establishing the Alaska..." Component: Council and Subcommittees
 Sponsor: House Finance Committee
 Requester: House Finance Committee Component Number: 783

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	Appropriation Required	Information					
	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Personal Services							
Travel	92.0						
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	92.0	0.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts							
1003 GF Match							
1004 GF	92.0						
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	92.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

WD26-LS1309W, Sec.10 establishes n 15 member Jt Legislative Higher Education Task Force composed of 10 Legislators, 2 Executive Branch members and 3 public members. It is assumed the Task Force will meet six times with all meetings requiring travel. This fiscal note includes travel funding for the Legislators and public members in the amount of \$75.0. Travel costs for Executive Branch members will be absorbed in Executive Branch Budgets. Sec. 11 establishes a 20 member Advisory Task Force on Higher Education and Career Readiness. Members of this Task Force will meet not less than every 3 months. Members of this Task Force serve without compensation but are entitled to per diem and travel expenses paid from the budget of the agency or institution the member represents. Travel for the 4 Legislators on this Task Force and their employees who staff this Task Force is included in this fiscal note in the amount of \$ 17.0 for FY11. Costs to teleconference the meetings and to print reports will be absorbed within existing Legislative Budgets.

Prepared by: Karla Schofield, Deputy Director
 Division: Legislative Affairs Agency
 Approved by: Pamela Varni, Executive Director
Legislative Affairs Agency

Phone 465-6626
 Date/Time 4/16/10 9:09 AM
 Date 4/16/2010



new AMENDMENT #1

Gara

OFFERED IN THE HOUSE

TO: HCS CSSB 221(FIN)

1 Page 3, following line 10:

2 Insert a new bill section to read:

3 **** Sec. 3. AS 14.43.410 is amended by adding a new subsection to read:**

4 (c) The commission shall annually distribute not less than \$3,000,000 or, if
5 available funding from appropriations and other sources is less than that amount, the
6 full amount available in grant awards on behalf of eligible students under
7 AS 14.43.415. Payments shall be made directly to the postsecondary or lending
8 institution if feasible. If available funds are insufficient to fully fund grants to eligible
9 students, the commission shall distribute funds to eligible applicants on a pro rata
10 basis."

11

12 Renumber the following bill sections accordingly.

13

14 Page 7, line 28:

15 Delete "sec. 5"

16 Insert "sec. 6"

17

18 Page 8, line 10:

19 Delete "secs. 1, 2, 5, 7, and 8"

20 Insert "secs. 1, 2, 6, 8, and 9"

21

22 Page 13, line 3:

23 Delete "Section 11"

1 Insert "Section 12"

2

3 Page 13, line 4:

4 Delete "Sections 3, 4, 6, and 8 - 11"

5 Insert "Sections 3 - 5, 7, and 9 - 12"

6

7 Page 13, line 6:

8 Delete "sec. 13"

9 Insert "sec. 14"

26-LS1309M
Mischel
4/16/10

HOUSE CS FOR CS FOR SENATE BILL NO. 221(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS STEVENS, McGuire, Davis, Kookesh, Meyer, Paskvan, Menard, Stedman, Thomas, Egan

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the AlaskAdvantage education grant program; relating to**
2 **professional student exchange program availability; establishing the Alaska merit**
3 **scholarship program and relating to the program; relating to student records; making**
4 **conforming amendments; establishing a Joint Legislative Higher Education Scholarship**
5 **Funding Task Force; establishing an advisory task force on higher education and career**
6 **readiness in the legislative branch of government; and providing for an effective date."**

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

8 *** Section 1. AS 14.03 is amended by adding a new section to read:**

9 **Sec. 14.03.113. District determination of scholarship eligibility.** A school
10 district shall determine whether a student who graduates from a high school in the
11 district is eligible for an award of an Alaska merit scholarship program scholarship
12 under AS 14.43.810 - 14.43.850. If a student is eligible, the district shall state in the
13 student's permanent record the highest level of funding for which the student is

1 eligible. A district shall provide a student with an opportunity to request that the
2 district correct an error in the eligibility determination.

3 * Sec. 2. AS 14.42.030(e) is amended to read:

4 (e) The commission may

5 (1) adopt regulations under AS 44.62 (Administrative Procedure Act)
6 to

7 (A) carry out the purposes of

8 (i) AS 14.43.091 - 14.43.850 [AS 14.43.091 -
9 14.43.750], 14.43.990, AS 14.44, and AS 14.48; and

10 (ii) AS 14.43.910 and 14.43.920 as they relate to the
11 purposes of AS 14.43.091 - 14.43.850 [AS 14.43.091 - 14.43.750],
12 14.43.990, AS 14.44, and AS 14.48;

13 (B) ensure compliance with the requirements imposed by state
14 and federal statutes and regulations governing the guaranty, insurance,
15 purchase, or other dealings in eligible loans by federal agencies,
16 instrumentalities, or corporations; and

17 (C) establish standards for the

18 (i) administration of hearings conducted under
19 AS 14.43.153; and

20 (ii) administrative enforcement of collection orders
21 under AS 14.43.151 - 14.43.155;

22 (2) delegate to the executive director of the commission or a
23 subcommittee of the commission any duty imposed on or power granted to the
24 commission by this chapter, AS 14.43, AS 14.44, or AS 14.48, except its power to
25 adopt regulations and its duty to consider appeals under AS 14.43.100(b) and
26 AS 14.48.120;

27 (3) establish task forces, committees, or subcommittees, not
28 necessarily consisting of commission members, to advise and assist the commission in
29 carrying out its functions;

30 (4) contract with or use existing institutions of postsecondary
31 education or other individuals or organizations to make studies, conduct surveys,

1 submit recommendations, or otherwise contribute to the work of the commission;

2 (5) establish fees for the review of an out-of-state institution that

3 (A) requests approval for participation in the programs under
4 AS 14.43.091 - 14.43.750, 14.43.990, and AS 14.44; and

5 (B) is not accredited by a national or regional accreditation
6 association recognized by the Council for Higher Education Accreditation; and

7 (6) collect all fees and costs incurred in collection of the amount owed
8 on a loan or repayment obligation if the loan or repayment obligation becomes
9 delinquent or in default; in this paragraph, fees and costs include attorney fees, court
10 costs, and collection fees charged by a collection agency.

11 * **Sec. 3.** AS 14.43.420(a) is amended to read:

12 (a) A grant made under AS 14.43.400 - 14.43.420 may not be in an amount
13 less than \$500 nor more than \$3,000 [\$2,000] for each school year.

14 * **Sec. 4.** AS 14.43.420(c) is amended to read:

15 (c) A student may receive not more than a total of \$12,000 [\$8,000] in grants
16 awarded under AS 14.43.400 - 14.43.420.

17 * **Sec. 5.** AS 14.43 is amended by adding new sections to read:

18 **Article 11A. Alaska Merit Scholarship Program.**

19 **Sec. 14.43.810. Alaska merit scholarship program established; regulations.**

20 (a) The Alaska merit scholarship program is established to provide scholarships for
21 high school graduates who are Alaska residents to attend a qualified postsecondary
22 institution in the state.

23 (b) The department shall, in consultation with the commission, adopt
24 regulations necessary to implement the program. The commission shall administer the
25 daily operations of the program and financing of the program, including the
26 procedures for applying for the scholarships, establishing standards for and ensuring
27 continuing compliance with programmatic standards, and requiring students to apply
28 for other non loan financial aid, consistent with federal law.

29 **Sec. 14.43.820. Alaska merit scholarship program; eligibility.** (a) Subject to
30 appropriation, the commission shall award an Alaska merit scholarship program
31 scholarship to an applicant who

- 1 (1) is a resident of the state as defined in AS 01.10.055;
- 2 (2) graduated or will graduate within six months from a high school in
- 3 the state;
- 4 (3) has completed a core academic curriculum in high school that
- 5 includes
 - 6 (A) four years of mathematics, four years of language arts, four
 - 7 years of science, and four years of social studies, one year of which may
 - 8 include a foreign language, an Alaska Native language, fine arts, or cultural
 - 9 heritage; or
 - 10 (B) three years of mathematics, four years of language arts,
 - 11 three years of science, four years of social studies, and two years of a foreign
 - 12 language or an Alaska Native language;
 - 13 (4) has a minimum grade-point average in high school of 2.5 or higher;
 - 14 the department shall set by regulation minimum requirements based on a substantially
 - 15 similar standard for districts that do not assign grades;
 - 16 (5) has achieved a minimum score on a
 - 17 (A) college entrance examination; or
 - 18 (B) standardized examination designed to measure a student's
 - 19 level of preparedness to make the transition to work, as selected by the
 - 20 department; and
 - 21 (6) is enrolled in good standing in a course of study at a qualified
 - 22 postsecondary institution in this state that is intended to result in the award of a
 - 23 certificate or degree.

24 (b) The commission shall establish in regulation standards for continuing and
 25 regaining eligibility for a scholarship.

26 **Sec. 14.43.825. Maximum awards.** (a) The maximum awards for the Alaska
 27 merit scholarship program scholarships are as follows:

- 28 (1) the first award level is \$4,755 and requires a 3.5 grade-point
- 29 average or above and a very high minimum score on a college entrance examination;
- 30 (2) the second award level is \$3,566 and requires a 3.0 grade-point
- 31 average or above and a high minimum score on a college entrance examination;

1 (3) the third award level is \$2,378 and requires a 2.5 grade-point
2 average or above and a moderately high minimum score on a college entrance
3 examination.

4 (b) A student's eligibility for a scholarship terminates six years after the date
5 the student graduated from high school unless the student qualifies for an extension of
6 time allowed by the department by regulation.

7 (c) Except as provided in (b) of this section, a student receiving a scholarship
8 may remain eligible for up to eight semesters of enrollment in good standing at a
9 qualified university or college, which may include graduate courses.

10 (d) Scholarships may be awarded to a full-time student or, if a student is
11 enrolled part time, prorated based on the number of credits. In this subsection, "full
12 time" means enrollment in a course of study that is not less than 12 credits and "part
13 time" means enrollment in a course of study that is not less than six credits but less
14 than 12 credits.

15 (e) The amount of a scholarship award may not exceed the amount of the
16 student's costs of attendance as certified by the postsecondary institution for the
17 purposes of federal financial aid, less any other scholarships or non-loan financial aid
18 awarded to the student.

19 (f) Payment of a scholarship is subject to appropriation. If insufficient funds
20 are appropriated to pay all eligible scholarships, the commission shall pay existing
21 awards on a pro rata basis.

22 **Sec. 14.43.830. Qualified postsecondary institutions.** (a) The following
23 institutions are qualified postsecondary institutions for purposes of awarding an
24 Alaska merit scholarship program scholarship:

25 (1) a university or college physically located in the state that is

26 (A) authorized to operate in the state under AS 14.48.020, or is
27 exempt from authorization under AS 14.48.030(b)(1); and

28 (B) accredited by a regional accreditation association;

29 (2) a career and technical school program physically located in the
30 state that has been included on a list of certified career and technical school programs
31 received from the Department of Labor and Workforce Development; the commission

1 shall publish the list on or before June 30 of the year preceding enrollment.

2 (b) The Department of Labor and Workforce Development shall, in
3 consultation with the Department of Education and Early Development, adopt
4 regulations under AS 44.62 (Administrative Procedure Act) establishing criteria under
5 which the Department of Labor and Workforce Development shall certify career and
6 technical school programs in the state as eligible to participate in the Alaska merit
7 scholarship program.

8 **Sec. 14.43.840. Report to the legislature.** (a) To the extent permitted under
9 law, the department, the commission, the University of Alaska, and the Department of
10 Labor and Workforce Development shall share data necessary to prepare public
11 reports regarding the program.

12 (b) Not more than 10 days after the convening of each regular legislative
13 session, the department, the commission, the University of Alaska, and the
14 Department of Labor and Workforce Development shall present an annual report to
15 the public, the governor, and the legislature containing information of public interest
16 regarding the program, including

17 (1) the number of applicants and number and types of scholarships
18 awarded;

19 (2) the dollar amount of scholarships awarded in past years and the
20 dollar amounts expected to be awarded for the next year; and

21 (3) data and trends in the data regarding high school and postsecondary
22 student performance, programmatic changes, and retention and graduation rates over
23 time.

24 **Sec. 14.43.850. Definitions.** In AS 14.43.810 - 14.43.850, unless the context
25 requires otherwise,

26 (1) "department" means the Department of Education and Early
27 Development;

28 (2) "grade-point average" means the average of all grades on a four-
29 point scale, or five-point scale for advanced placement classes, obtained by the student
30 in high school;

31 (3) "high school" means a public or accredited secondary school in the

1 state and a home school program that is approved by the department;

2 (4) "program" means the Alaska merit scholarship program established
3 under AS 14.43.810 - 14.43.850;

4 (5) "school district" means a borough school district, a city school
5 district, a regional educational attendance area, and a state boarding school.

6 * Sec. 6. AS 14.44.025 is amended by adding a new subsection to read:

7 (b) Notwithstanding the funding priorities established under (a) of this section,
8 the Alaska Commission on Postsecondary Education shall provide adequate funding
9 for not fewer than five students to attend four-year programs in each of the following
10 fields:

11 (1) dentistry;

12 (2) optometry; and

13 (3) pharmacy.

14 * Sec. 7. AS 14.45.130(a) is amended to read:

15 (a) A religious or other private school that elects to comply with AS 14.45.100
16 - 14.45.130 shall maintain permanent student records reflecting immunizations,
17 physical examinations, standardized testing, academic achievement, [AND] courses
18 taken at the school, and level of eligibility for an Alaska merit scholarship
19 program scholarship under AS 14.43.810 - 14.43.850.

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

22 TRANSITION: PROGRAM STANDARDS AND IMPLEMENTATION FOR
23 INITIAL SCHOOL YEARS. Notwithstanding any contrary provision of this Act, the
24 Department of Education and Early Development and the Department of Labor and
25 Workforce Development, after consultation with the Alaska Commission on Postsecondary
26 Education, may adopt regulations under AS 44.62 (Administrative Procedure Act) to
27 implement their respective duties under the Alaska merit scholarship program established in
28 AS 14.43.810, enacted by sec. 5 of this Act, so that a student

29 (1) may be eligible for the program even though the student did not fully meet
30 the required core academic curriculum for the school years beginning July 1, 2010, through
31 June 30, 2014; and

1 (2) who graduated from high school in this state after January 1, 2011, and
2 before July 1, 2011, and meets eligibility requirements for the program may apply for a
3 scholarship on or after January 1, 2011, for enrollment in a program of study beginning on or
4 after July 1, 2011.

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

7 **TRANSITION: REGULATIONS.** The Department of Education and Early
8 Development, the Department of Labor and Workforce Development, and the Alaska
9 Commission on Postsecondary Education may proceed to adopt regulations necessary to
10 implement changes made to their respective authorities by secs. 1, 2, 5, 7, and 8 of this Act.
11 The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before
12 July 1, 2011, except that regulations pertaining to applications for scholarships may take
13 effect on or after January 1, 2011.

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

16 **JOINT LEGISLATIVE HIGHER EDUCATION SCHOLARSHIP FUNDING TASK**
17 **FORCE.** (a) The legislature finds that

18 (1) there is a growing problem of students entering degree programs at
19 postsecondary institutions in Alaska but not completing the degree programs;

20 (2) at 22.4 percent, Alaska ranks last in the nation for first-time full-time
21 bachelor degree-seeking students who complete their degrees within six years;

22 (3) it is estimated that, by 2025, 50 percent of all jobs in the United States will
23 require a college-level degree;

24 (4) having an educated population is integral to economic development and
25 promotion of lifetime success;

26 (5) the cost of attending postsecondary institutions continues to rise while
27 financial aid for students fails to alleviate their unmet financial need so that they may attend
28 college;

29 (6) improving financial aid opportunities for Alaska students would likely
30 improve postsecondary graduation rates in the state; and

31 (7) establishing a state scholarship program to improve access to student

1 financial aid requires a more thorough examination by the legislature.

2 (b) The Joint Legislative Higher Education Scholarship Funding Task Force is
3 established in the legislative branch for the purpose of examining higher education costs and
4 identifying the best approach in providing financial aid to assist students in the state.

5 (c) The duties of the task force established under this section include

6 (1) evaluating how best to provide long-term and sustainable funding for state-
7 provided financial aid for postsecondary institutions in the state, including scholarship
8 opportunities;

9 (2) evaluating proposals that are based on available facts and conclusions
10 pertaining to financial aid opportunities at postsecondary institutions in the state;

11 (3) recommending improvements or additions to the laws providing for
12 financial aid at postsecondary institutions; and

13 (4) taking public comments on financial aid opportunities in the state.

14 (d) The task force consists of 15 members, as follows:

15 (1) five members of the senate appointed by the president of the senate;

16 (2) five members of the house of representatives appointed by the speaker of
17 the house of representatives; and

18 (3) five members appointed by the governor as follows:

19 (A) the commissioner of education and early development or the
20 commissioner's designee;

21 (B) the president of the University of Alaska or the president's
22 designee;

23 (C) the director of the office of management and budget or the
24 director's designee;

25 (D) a member of the state Board of Education and Early Development;

26 (E) the executive director of the Alaska Commission on Postsecondary
27 Education.

28 (e) The president of the senate and the speaker of the house of representatives shall
29 jointly appoint the chair and vice-chair of the task force.

30 (f) The task force shall meet during the interim between legislative sessions.

31 (g) The task force shall submit a report of its findings and proposed legislative

1 changes to the governor, the Alaska Commission on Postsecondary Education, the
2 Department of Educational and Early Development, and the legislature by December 1, 2010,
3 and may make any additional reports it considers advisable.

4 (h) The Joint Legislative Higher Education Scholarship Task Force is terminated on
5 January 1, 2011.

6 * **Sec. 11.** The uncodified law of the State of Alaska is amended by adding a new section to
7 read:

8 ESTABLISHMENT OF ADVISORY TASK FORCE ON HIGHER EDUCATION
9 AND CAREER READINESS; COMPOSITION. (a) An advisory task force on higher
10 education and career readiness is established in the legislative branch of state government for
11 the purpose of compiling data and advising the legislature on matters pertaining to college and
12 career readiness of students who graduate from public secondary schools in the state and
13 students who are nontraditional students.

14 (b) The task force established under this section consists of 20 members, as follows:

15 (1) the governor or the governor's designee;

16 (2) the executive director of the Alaska Commission on Postsecondary
17 Education or the executive director's designee;

18 (3) the commissioner of education and early development or the
19 commissioner's designee;

20 (4) one member appointed by the governor who represents vocational,
21 technical training, or apprenticeship programs in the state;

22 (5) a student representative appointed by the Board of Education and Early
23 Development;

24 (6) the student member of the Board of Regents of the University of Alaska or
25 the student's designee;

26 (7) the president of the University of Alaska or the president's designee;

27 (8) the executive director of the Association of Alaska School Boards or the
28 executive director's designee;

29 (9) the executive director of the Alaska Association of School Administrators
30 or the executive director's designee;

31 (10) the president of the National Education Association of Alaska or the

- 1 president's designee;
- 2 (11) the president of the Alaska Federation of Natives or the president's
- 3 designee;
- 4 (12) two members of the house of representatives, appointed by the speaker of
- 5 the house, one of whom shall be appointed co-chair;
- 6 (13) two members of the senate, appointed by the president of the senate, one
- 7 of whom shall be appointed co-chair;
- 8 (14) one member appointed by the governor who represents private colleges
- 9 or universities;
- 10 (15) one member appointed by the governor who represents public
- 11 postsecondary institutions and who is not affiliated with the University of Alaska;
- 12 (16) three members appointed by the governor who have specialized
- 13 knowledge, skill, or experience in education remediation and who are employed as faculty at
- 14 postsecondary institutions located in separate major administrative units in the state, at least
- 15 one of whom resides outside of Anchorage, Fairbanks, and Juneau.
- 16 (c) A majority of the members of the task force constitutes a quorum. A vacancy on
- 17 the task force shall be filled in the same manner as the original selection or appointment.
- 18 (d) Members of the task force serve without compensation but are entitled to per diem
- 19 and travel expenses authorized for boards and commissions under AS 39.20.180, except that
- 20 per diem and travel expenses shall be paid from the budget of the agency or institution the
- 21 member represents on the task force. The agency or institution may opt out of participating to
- 22 avoid payment of per diem and travel expenses. The staff of the legislative members of the
- 23 task force shall serve as staff for the task force.
- 24 (e) The task force shall meet at the call of the chair not less than once every three
- 25 months. The co-chairs shall call the first meeting of the task force not later than 30 days after
- 26 the effective date of this section. The members of the task force shall elect other officers as
- 27 needed to conduct the business of the task force.
- 28 (f) The task force shall
- 29 (1) compile research conducted in the state and nationally on reducing
- 30 remediation, improving retention, and increasing college and postsecondary vocational or
- 31 technical program graduation rates;

- 1 (2) summarize data on
- 2 (A) types of testing used to determine college and career readiness;
- 3 (B) remediation rates;
- 4 (C) effectiveness of remediation for students entering college or
- 5 postsecondary vocational or technical training programs with skill deficits;
- 6 (D) characteristics of programs that are most effective in addressing
- 7 skill deficits;
- 8 (3) create a definition of remediation to ensure consistency in reporting of
- 9 remediation rates by postsecondary institutions in the state;
- 10 (4) identify the contributing causes of a lack of college and career readiness of
- 11 students who graduate from public secondary schools in the state and the course topics taken
- 12 in college or postsecondary vocational or technical training programs for which students
- 13 require remediation;
- 14 (5) identify best practices examples of school systems, colleges, and
- 15 postsecondary vocational or technical training programs that are succeeding in reducing the
- 16 need for remedial education;
- 17 (6) explore new approaches that may be effective in producing increased
- 18 levels of college and career readiness;
- 19 (7) determine the availability of broadband and Internet capabilities and the
- 20 effect of the use of electronic, Internet, and virtual instruction on student learning and success
- 21 in schools;
- 22 (8) determine the role various types of postsecondary institutions may play in
- 23 addressing the need for remediation;
- 24 (9) review graduation rates of colleges, universities, and postsecondary
- 25 vocational or technical training programs located in the state for the six years preceding the
- 26 effective date of this section;
- 27 (10) prepare for the legislature a set of written recommendations to improve
- 28 remediation, retention, and graduation rates at colleges, universities, and postsecondary
- 29 vocational or technical training programs in the state;
- 30 (11) review completion rates for career skill certificate programs,
- 31 disaggregated by program and postsecondary campus.

1 (g) The task force shall submit the assessment and recommendations developed under
2 (f) of this section in a report to the legislature not later than April 1, 2011.

3 * **Sec. 12.** Section 11 of this Act is repealed on July 1, 2011.

4 * **Sec. 13.** Sections 3, 4, 6, and 8 - 11 of this Act take effect immediately under
5 AS 01.10.070(c).

6 * **Sec. 14.** Except as provided in sec. 13 of this Act, this Act takes effect July 1, 2011.

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: WD-LS1309-W
 () Publish Date: _____

Identifier (file name): WD26-LS1309W-LEG-COU4-16-10 Dept. Affected: Legislature
 Title: "An Act relating to the AlaskAdvantage
education grant program; establishing the Alaska..." RDU: Legislative Council
 Sponsor: House Finance Committee Component: Council and Subcommittees
 Requester: House Finance Committee Component Number: 783

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services								
Travel	92.0							
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING	92.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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

	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
1002 Federal Receipts							
1003 GF Match							
1004 GF	92.0						
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	92.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)
 WD26-LS1309W, Sec.10 establishes n 15 member Jt Legislative Higher Education Task Force composed of 10 Legislators, 2 Executive Branch members and 3 public members. It is assumed the Task Force will meet six times with all meetings requiring travel. This fiscal note includes travel funding for the Legislators and public members in the amount of \$75.0. Travel costs for Executive Branch members will be absorbed in Executive Branch Budgets. Sec. 11 establishes a 20 member Advisory Task Force on Higher Education and Career Readiness. Members of this Task Force will meet not less than every 3 months. Members of this Task Force serve without compensation but are entitled to per diem and travel expenses paid from the budget of the agency or institution the member represents. Travel for the 4 Legislators on this Task Force and their employees who staff this Task Force is included in this fiscal note in the amount of \$ 17.0 for FY11. Costs to teleconference the meetings and to print reports will be absorbed within existing Legislative Budgets.

Prepared by: Karla Schofield, Deputy Director
 Division: Legislative Affairs Agency
 Approved by: Pamela Varni, Executive Director
Legislative Affairs Agency

Phone 465-6626
 Date/Time 4/16/10 9:09 AM
 Date 4/16/2010

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: _____
 () Publish Date: _____

Identifier (file name): _____ Dept. Affected: Education
 Title _____ RDU Teaching & Learning Support
 Component School & Student Achievement
 Sponsor _____
 Requester House Finance Component Number 2796

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services	87.3		87.3	87.3	87.3	87.3	87.3	87.3
Travel								
Contractual								
Supplies	12.7							
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING	100.0	0.0	87.3	87.3	87.3	87.3	87.3	87.3

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF	100.0		87.3	87.3	87.3	87.3	87.3	87.3
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL	100.0	0.0	87.3	87.3	87.3	87.3	87.3	87.3

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time	1.0		1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

Teaching and Learning Support will need to hire one staff member to oversee the promulgation and implementation of the department's regulations along coordination between EED, the University of Alaska, Department of Labor and Workforce Development and the Alaska Commission on Postsecondary Education (ACPE).

Education Specialist I at \$87,306 plus start-up office supplies (computer, etc.) at \$12,694 = \$100,000

Prepared by: Eddy Jeans, Director
 Division: School Finance and Facilities
 Approved by: Larry LeDoux
Commissioner

Phone 465-8679
 Date/Time 4/16/10 12:00 AM
 Date 4/16/2010

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: _____
() Publish Date: _____

Identifier (file name): _____ Dept. Affected: Education
Title _____ RDU ACPE
Sponsor _____ Component Program Administration and
Requester _____ (H)FIN _____ Operations
Component Number 2738

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual	250.0	250.0						
Supplies								
Equipment								
Land & Structures								
Grants & Claims	400.0	400.0	9,321.9	15,489.3	19,602.0	21,656.6	21,656.6	
Miscellaneous	0.0		0.0	0.0	0.0	0.0	0.0	
TOTAL OPERATING	650.0	650.0	9,321.9	15,489.3	19,602.0	21,656.6	21,656.6	
CAPITAL EXPENDITURES								
CHANGE IN REVENUES ()								

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF	650.0	650.0	9,321.9	15,489.3	19,602.0	21,656.6	21,656.6
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	650.0	650.0	9,321.9	15,489.3	19,602.0	21,656.6	21,656.6

Estimate of any current year (FY2010) cost: 0.0

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

Relative to ACPE this bill: 1) establishes an administrative role for the agency relative to managing the Alaska student achievement program, 2) amends the existing AlaskAdvantage Education Grant program by increasing the annual maximum grant award from \$2,000 to \$3,000 per recipient, and 3) modifies Alaska's participation in the Western Interstate Commission on Higher Education's (WICHE) Professional Student Exchange Program (PSEP) by setting an annual minimum number of loans to support Alaska participants in the pharmacy, dentistry, and optometry fields of study.

The contractual funds noted above represent the cost of implementation for scholarship management software.

Prepared by: Diane Barrans, Executive Director
Division: Alaska Commission on Postsecondary Education
Approved by: Diane Barrans, Executive Director
Alaska Commission on Postsecondary Education

Phone 465-6740
Date/Time 4/16/10 11:15 AM
Date 4/16/2010

FISCAL NOTE

**STATE OF ALASKA
2010 LEGISLATIVE SESSION**

BILL NO. _____

ANALYSIS CONTINUATION

It is important to note the costs reflected in FY12 and subsequent years represent the administration's best estimate. However, given that the bill also establishes a Task Force, the recommendations of which could substantially alter related program costs, these estimates may be characterized as tentative pending the Task Force reports.

Assumptions:

- 1) Baseline count of high school graduates (8,008) based on 2009 data.
 - 2) Referenced utilization rate of 28.8% for similarly structured program in WY. While Alaska has lower college-going rates historically than WY, in recent years a higher percentage of students continuing to postsecondary education have attended Alaska institutions.
 - 3) Per student ASAP award amount is an average of all award levels.
 - 4) Scholar attrition rate is 25% per year based upon UA five-year graduation rate data.
- Participation numbers are assumed to be: Year 1=2,305; Year 2=4,034; Year 3=5,187; Year 4=5,763

In Wyoming, approximately 28.8% of graduates utilize the merit scholarship program. At the same utilization rate, an estimated 2,305 AK high school grads will earn a scholarship.

Per Education Trust, the graduation rate after 5 years for UAF is 25% and UAA is 16.5%. The four-year graduation rate is significantly lower.

Cohort: 2,305 students per year

	Participation rates	Number of Students	Average Scholarship	Est. annual cost	Year 1 Est. cost	Year 2 Est. cost	Year 3 Est. cost
Year 1	100%	2,305	\$3,567	\$ 8,221,935	\$8,221.9		
Year 2	75%	1,729	\$3,567	\$ 6,167,343		\$14,389.3	
Year 3	50%	1,153	\$3,567	\$ 4,112,751			\$18,502.0
Year 4	25%	576	\$3,567	\$ 2,054,592			
Est. merit-based cost (full implementation)		5,763		\$20,556,621			

As noted above, pending Task Force examination of the appropriate level of additional needs based aid, funding for the AlaskAdvantage Education Grant is requested at a continuation level relative to the annual average amounts paid out over the past four years—approximately \$1.05 million. The FY11 grant funding in the amount of \$400,000 will supplement the \$620,000 remaining from the FY09 capital budget appropriation of \$2.5 million. In FY12 and later years, \$1.1 million for program funding is included in the program costs noted herein.

There are no costs anticipated relative to the changes to the PSEP loan program.

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Senator Gary Stevens *President of the Senate*

SECTIONAL ANALYSIS Senate Bill 221

SECTION 1:

Establishes an advisory task force on higher education for the purpose of compiling data and advising the legislature on matters pertaining to college readiness of students who graduate from public secondary schools in Alaska.

It's composed of 13 members representing the Governor, the Alaska Commission on Postsecondary Education, the University of Alaska, the Alaska School Board Association, the National Education Association, Alaskan private colleges or universities, other public (non-UA) postsecondary institutions in Alaska, relevant faculty from around the UA system, and the chairpersons of the respective House and Senate Education Committees.

The respective entity that each task force member represents is expected to pay for their share of the expenses of participating in the task force.

The staff of the legislative members of the task force shall serve as staff for the task force.

The members of the task force shall elect a chair from among its members.

The task force shall compile research and summarize data regarding remediation, retention, and graduation rates in the state. There shall be developed a definition of remediation. The task force shall identify contributing causes for lack of college readiness, and best practices to reduce the need for remediation, and prepare a report to the legislature outlining strategies and recommendations to reduce remediation, improve college readiness, and increase college graduation rates. The report is to be submitted by March 1, 2011.

SECTION 2:

Repeals the act and dissolves the task force on July 1, 2011.

SECTION 3:

Makes the act take effect the day after the governor signs it.



The Path to a Degree

A LEGISLATOR'S GUIDE TO COLLEGE ACCESS AND SUCCESS

Overview: The Path to a Degree

By Brenda Bautsch

November 2009

America is no longer the world leader in education. U.S. performance at the K-12 and postsecondary levels is falling behind other countries. According to the Organisation for Economic Co-operation and Development (OECD), America and Germany are the only two OECD countries where the younger generation is actually less educated than the older generation. In February 2009, President Obama declared the lack of educational attainment in the United States a "prescription for economic decline, because we know the countries that out-teach us today will out-compete us tomorrow," and he set a goal for the United States to reclaim its position as the leader in college graduates by 2020. To accomplish that, states need to set their own college completion goals; study and diagnose where and why students are dropping out of the education system; and target state policy to those problem areas. Effective state policy can help more students obtain college degrees, be successful in life and contribute to the economy.

According to the Bureau of Labor Statistics, 54 percent of all new jobs and 75 percent of the fastest-growing jobs require some form of postsecondary education. In addition, people with bachelor's degrees earn 60 percent more over their lifetime than those with only a high school diploma, which translates into higher tax revenues for states and the federal government. College graduates also live healthier and longer lives and rely less on social programs such as welfare or Medicaid, saving states a significant amount of money. College graduates participate more in civic activities, such as voting, and in charitable activities, such as donating blood. States that improve college access and success increase these individual, economic and societal benefits.

College enrollment and completion rates will not alter significantly unless policymakers focus on nontraditional students, particularly low-income, minority and first-generation students, who are underrepresented and underserved in the education system. These students are

the fastest growing populations and the least likely to finish high school, enroll in college or earn a degree. The result is a significant and serious achievement gap that threatens states and the nation.

To meet President Obama's college completion goal and to preserve America's status as a world leader in education, state policy will need to focus on closing the achievement gap. State legislators have the power to design and implement policies that help prepare all students academically and financially for college and effectively support them to ensure they complete a degree.

The Path to a Degree: A Legislator's Guide to College Access and Success contains five briefs that provide an overview of key issues, discuss research findings, and offer examples of specific state action that can improve college access and success for underrepresented students.

Raising Awareness: College Planning Strategies focuses on early awareness and preparation as an essential component of college access. The brief discusses two strategies to increase early college planning among low-income, minority and first-generation students: information dissemination and student support services, both beginning no later than middle school.

Increasing College and Workforce Readiness discusses policies that can improve college and workforce readiness, such as aligning high school standards, adjusting graduation requirements, and using college-ready assessments. College readiness is a key component of both college access and success; students who take college preparatory courses in high school, for example, are more likely to enroll in and graduate from college.

Improving College Affordability for Underrepresented Students: Financial Aid Strategies discusses the three components of the higher education finance system: tuition, financial aid and state appropriations. The brief fo-

cuses on financial aid as a policy option to increase college affordability for low-income, minority and first-generation students and provides examples of effective financial aid programs.

Engaging Students Academically and Socially: College Success Strategies highlights evidence-based college success programs that help more students remain in college and graduate. Programs that increase student academic and social engagement have the greatest effect on completion rates. The brief provides examples of legislative action that encourages and supports college success programs.

What You Need to Know About Minority-Serving Institutions provides an overview of historically black colleges and universities, Hispanic-serving institutions, and tribal colleges and universities—known collectively as minority-serving institutions. The brief highlights why an increasing number of students choose to attend these institutions; their effect on the educational attainment of underrepresented students; and the challenges such institutions face.

Higher education can improve individual lives, bolster state economies, fill workforce needs, and sustain America's economic competitiveness. Now is the time for states to act to improve the path to a degree for all students.

Acknowledgments

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This publication was written by Brenda Bautsch as a Policy Specialist in the NCSL Education Program. Brenda works on issues regarding college access and success.

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The Path to a Degree

A LEGISLATOR'S GUIDE TO COLLEGE ACCESS AND SUCCESS

Engaging Students Academically and Socially: College Success Strategies

By Brenda Bautsch

November 2009

America is losing its lead as the country with the highest percentage of college-educated citizens. According to the Organisation for Economic Co-operation and Development (OECD), America and Germany are the only two OECD countries with a younger generation that is less educated than the older generation. While college access for underrepresented students is still a concern, overall, America ranks high in the world for the proportion of high school graduates that enroll in college. The problem is that too few of America's college students complete their degrees.

Just over half—56 percent—of students that enroll in a four-year institution earn a bachelor's degree within six years. Only 28 percent of associate degree-seeking students earn their degree within three years.¹ The statistics for students of color are even worse—just 41 percent of black and 47 percent of Hispanic college students attain their bachelor's degree in six years, compared to 59 percent of white students (Figure 1).² Just over one third of students who are both low-income and first-generation earn a bachelor's degree within six years at public four-year institutions, compared to 66 percent of their more advantaged peers.³ These low graduation rates translate into missed economic opportunities for states and for the nation.

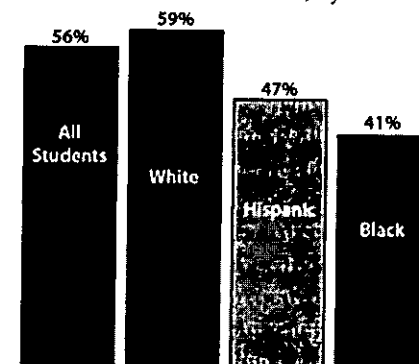
People with bachelor's degrees earn 61 percent more during their lifetime than those with only a high school diploma, and 42 percent more than those with some college but no degree.⁴ Students who leave college without completing a degree lose money spent on tuition and fees and may incur loan debt. The gaps in completion across groups of students have implications that go beyond the individual. Federal and state governments incur losses when money spent on higher education appropriations and financial aid supports a student who does not complete college. Moreover, college graduates bolster state economies. Not only do college graduates pay more in taxes, they also save states money because they rely less on social programs such as welfare or Medicaid. College

graduates participate in more civic activities, such as voting, and in charitable activities, such as donating blood. In addition, children of college graduates are more likely to achieve higher levels of education, so society continues to reap benefits generation after generation.⁵

College success programs are designed to help at-risk students graduate from postsecondary education. Given their vested interest in having as many college-going students as possible graduate, states will want to consider which programs and policies represent the soundest investment for their limited resources. Various programs that focus on improving college success differ with respect to structure, identified student population, and the amount of financial support required. College success programs include academic counseling and student support services administered in and out of the classroom. These programs are usually targeted to students who are most at-risk of dropping out of college—low-income, minority and first-generation students, and those students who score low on placement exams.

Consensus has emerged that students who are academically and socially engaged during college are more likely

Figure 1. Six-Year Graduation Rates for Four-Year Institutions, By Race



Sources: National Center for Higher Education Management Systems, 2009; National Center for Public Policy and Higher Education, 2008.

to graduate. A student is academically engaged when he or she interacts with faculty and finds learning meaningful. Social engagement refers to participation in campus activities and multiple connections with other students. Programs that increase academic and social engagement improve the degree attainment of underrepresented students.

Many postsecondary institutions design and implement college success programs, but state legislators can play an important role by providing incentives, funding and reporting requirements. Several states—such as Arkansas, Illinois and South Carolina—have created task forces to develop a state agenda on college success, set state goals, and provide recommendations for increasing degree attainment. Legislatures can require institutions of higher education to report student data on enrollment, retention and graduation so the legislature can track and monitor progress. In Massachusetts, for example, public two-year and four-year colleges are required by law to report annually to the governor and the legislature on a variety of higher education performance measures, including student success.

This brief describes barriers to graduation for underrepresented students, highlights college success programs that researchers have found to have the most effect on increasing retention and graduation rates, and provides examples of legislative action that encourages and supports such programs.

Barriers to College Graduation

Several factors increase the likelihood that a student will drop out of college. For example, full-time employment, dependent children, weak academic preparation, off-campus residency and college affordability can negatively affect student retention and graduation. Low-income, minority and first-generation students likely face one or more of these factors. Low-income students are more likely to work full-time during college. This places them at a disadvantage, since research shows that working more than 20 hours per week hurts student academic performance.⁶ Some estimates suggest that as few as 25 percent of low-income youth are academically well-prepared for college, compared to 60 percent of high-income youth.⁷

It is important to note that the issue of academic preparation can lead to discussion of inadequate high school preparation

and remedial education. Those discussions are covered in the brief *Increasing College and Workforce Readiness*.

In particular, many community college students face barriers to graduation. The Community College Survey of Student Engagement found that 75 percent of students at public two-year colleges face at least one risk factor, compared to 14 percent of students at four-year universities. The survey also found that 25 percent of community college students had children living with them, 25 percent were not native English speakers, and 50 percent worked more than 20 hours per week.⁸

Successful state policies and programs recognize and address the factors that cause students to drop out of college.

Successful state policies and programs recognize and address the multiple factors that cause students to drop out of college. Factors such as full-time employment, off-campus residency and family responsibilities keep students from having time to engage in campus activities or receive needed academic help. By not integrating with the larger campus community, students do not make the personal connections with peers or with faculty that often motivate them to stay in school. College success programs that work with a student's over-loaded schedule by using class time to promote academic engagement or that have flexible hours for support services can be helpful. Such programs can be most effective if they reach out to at-risk students during their first year of college.

First-Year Retention Strategies

Research indicates that students who return for their second year of college have a higher chance of graduating. Twenty-five percent of students who enroll at four-year colleges and one-half of those at two-year colleges do not continue to their second year on campus.⁹ Six in 10 low-income and first-generation students who do not complete their college education drop out after their first year.¹⁰ Because of this, many colleges focus success programs on retaining first-year students through bridge and orientation programs, first-year seminars and learning communities. These programs help underrepresented students engage academically and socially, increasing the chance that they will persist to graduation.¹¹

Summer Bridge To help high school graduates prepare for and *Orientation* their first year of college, summer bridge Programs and orientation programs take place before classes convene. They vary in length; orientations usually last a day or two, and bridge programs unfold over a one- to

eight-week period. The goal is to better equip students for their first year in college by helping them build the necessary academic and personal skills. Bridge and orientation programs administer remedial coursework, teach study skills, and provide opportunities to adjust to campus life and meet other students.

Many programs specifically target low-income, first-generation and minority students. Colorado State University's Bridge Scholars program, for example, hosts underrepresented students on campus for eight weeks. Students take classes, learn study skills, and become familiar with the campus and its support services. The Bridge Scholars program recognizes the special needs of underrepresented students and provides them with the opportunity to catch up or even get a head start for college.

Some research indicates that summer bridge and orientation programs can increase retention rates and student participation in campus activities. According to the Pell Institute, bridge programs at Georgia State University, the University of California-San Diego, the University of Maryland-College Park, and California State University contributed to retention gains from freshman to sophomore year. Other studies indicate that bridge and orientation programs increase the likelihood that community college students will become academically engaged. The Community College Survey of Student Engagement found that 40 percent of students have participated in an orientation program.¹²

First-Year Seminars Another retention strategy is first-year seminars, which are small classes, typically of 10 to 25 students, that usually are taught by a faculty member. Since most freshmen enroll in large introductory courses with a lecture format and little interaction with faculty members, the seminars give students an opportunity to connect with faculty and receive personal attention and frequent feedback. The small class setting encourages participation in group discussion and fosters development of critical thinking and collaborative learning skills. The relationships with faculty and other students increase the level of academic and social integration for students who participate.¹³

According to the National Resource Center's 2006 survey on first-year seminars, 43 percent of the responding institutions credited the first-year seminar with increasing student persistence to sophomore year. About one third of the institutions indicated that the seminars increased the students' satisfaction with the school and faculty, and reported higher levels of student participation in campus activities. Seminars

also have been linked to better chances of graduation; some research suggests that students who complete freshman seminar courses are 5 percent to 15 percent more likely to earn their bachelor's degrees in four years.¹⁴

Other research, such as that conducted by the Policy Center on the First Year of College, makes the case that seminars are most effective if they are linked to one or more other courses, a practice commonly referred to as a learning community.

Learning Communities Like first-year seminars, the learning community concept is based on the notion that small class size promotes academic and social engagement.



Students take two or more classes together as a group, often with an overarching theme that connects the classes. By keeping the same group of students together for multiple classes, learning communities create more opportunities

for social integration. Creating opportunities for social and academic engagement during class time when students are already on campus is an effective retention strategy for low-income and minority students.

There are various examples of the positive effects of learning communities. At the University of Southern Maine, a commuter school, the learning communities have had positive results for at-risk students. The students who participate in learning communities have higher persistence rates than students who participate in other retention programs. Similarly, students who participate in the Seattle Central Community College learning community exhibit higher rates of retention than do nonparticipants. The students in the Seattle Central learning communities also tend to express higher levels of social and academic satisfaction. The research organization MDRC conducted an experimental program at Kingsborough Community College in which some freshmen participated in a learning community that included remedial English. Students who participated in the learning community were more likely than nonparticipants to take and pass the English skills assessment tests necessary to enroll in college-level English.¹⁵

In both first-year seminars and learning communities, a major focus is on giving the student personal attention, which translates into small class sizes. However, many required introductory courses are taught in lecture format to large numbers of students, a format in which students can easily feel lost. To ensure that students receive the attention and support they need to be successful in larger courses, many colleges and universities have redesigned their introductory classes.

Redesigning Courses for Success

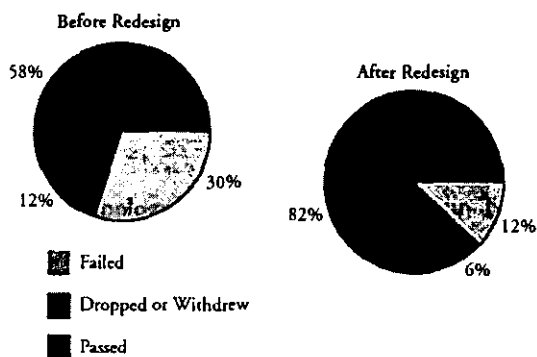
Not surprisingly, large and often impersonal introductory courses have high failure and dropout rates. About 25 introductory courses serve half the student population at community colleges and one third of the students at four-year colleges. These 25 courses have high drop, failure and withdrawal rates, and the rates can vary dramatically across institutions. At four-year institutions the drop, failure and withdrawal rates average from 22 percent to 45 percent, while at community colleges the rates average 40 to 50 percent, but can be much higher. Since these few courses affect such a large proportion of college students, restructuring them to improve student success can significantly affect retention and graduation rates.¹⁶

The National Center for Academic Transformation (NCAT) conducted research to redesign one introductory course at 30 postsecondary institutions. After evaluating the newly designed courses, the center found that 25 of the 30 colleges showed significant improvement in student performance in class, and all 30 cut costs by an average of 37 percent. According to the project report, "Collectively, the 30 redesigned courses affect more than 50,000 students nationwide and produce a savings of \$3.1 million in operating expenses each year."¹⁷ Half of the institutions were studied closely to evaluate the effect on low-income and minority students; of those, 90 percent demonstrated positive effects on student learning.

University of New Mexico At the University of New Mexico, 47 percent of students are minorities, most of whom commute to school and work more than 30 hours per week. The introductory psychology course, one of the largest classes, had one of the highest failure rates. This course is taken by more than 2,000 students each year; of those students, 30 percent failed and another 12 percent dropped out or withdrew. To increase student success, the University of New Mexico worked with the National Center for Academic Transformation to redesign the course.

The new psychology course employed the main NCAT strategies: reduced lecture time and increased time for activities and group work, frequent quizzes, and computer-based learning techniques. The results from the newly designed course were positive—the failure rate dropped 18 percentage points and the drop/withdrawal shrunk by half (Figure 2). At the same time, due to the weekly quizzes and in-class study time, students covered the material more thoroughly than before. Student grades rose, and the learning quality improved. Yet another positive result was the cost savings. The redesigned course cost almost 50 percent less, from \$72 per student to \$37 per student.

Figure 2. Redesigning the University of New Mexico's General Psychology Course: Student Success Rates



Source: The National Center for Academic Transformation, 2005.

The cost savings realized by the University of New Mexico—and the 29 other institutions that participated in the redesign project—demonstrate that improving student success need not cost more money, but can be accomplished by changing how courses are taught to be more relevant and more effective for today's generation of students. Further, by using technology, some tasks become more efficient. Quizzes and assignments can be administered and graded through automated computer programs, thus increasing feedback to students and freeing time for faculty and teaching assistants.¹⁸

Technology Computer-based practices can be used to *Redesign* a wide range of courses—from *Psychology* and literature to statistics and math. *MyMathLab* is an example of a computer program used in math courses. The software allows students to do as many math problems as they need and receive instant feedback on their answers. The program also sends faculty detailed information on student progress. The University of Alabama uses *MyMathLab* in its redesigned intermediate algebra course. Students are required to spend time working on problems

in the math computer center using the software. Faculty or graduate students staff the center to help students when needed.

Within four years, the University of Alabama saw a significant increase—from 44 percent to 80 percent—in the number of students who receive a C- or better in the class. In the redesigned algebra course, African Americans, who comprise 14 percent of the undergraduate population, scored significantly higher than their peers in the traditional course. As in the University of New Mexico example, the gains did not come at a higher cost; rather the cost-per-student dropped 33 percent, saving the university about \$60,000 per year.¹⁹

First-year retention strategies such as redesigned courses, summer bridge and orientation programs, first-year seminars and learning communities are key to helping underrepresented students continue to their second year of college.

Legislators can provide important support and incentives for institutions to implement such practices. Although the focus on first-year retention programs is crucial, it is not sufficient. An effective state strategy also requires that programs and activities be in place to move students from the second year of college to graduation.

From Second Year to Graduation: Practices to Increase Degree Attainment

For college students to persist to graduation, they need to remain engaged academically and socially beyond their first year. Students who participate in activities such as internships, faculty-guided research, and service learning are more likely to remain engaged. If students receive the information and support they need when they need it, they have a greater chance of attaining a degree. Support services can provide students with needed help through academic advising, career counseling, mentoring, tutoring, and financial aid guidance. One program that includes all these services is the federally funded TRIO Student Support Services program.

Federal TRIO The federal TRIO Student Support Services program helps low-income, first-generation and disabled students attain a college degree. Of the students participating in TRIO, two-thirds must be both low-income and first generation. Institutions of higher education can apply to the Student Support Services program for competitive grants to fund student support projects on campus.

Recognizing that students who are both first-generation and low-income are more at-risk of dropping out of college, Student Support Services program staff meet often with participating students to monitor their academic progress and track their use of available services. For many students, the Student Support Services office is a “home base” for them on campus—a place they can go at any time and receive needed help or guidance, whether for academic or personal reasons. For those in need of academic help, the program provides supplementary instruction through tutoring, workshops, group study sessions and computer-based exercises.

Research indicates that Student Support Services programs have had positive results on student retention and persistence. Overall, the 950 programs nationwide serve more than 200,000 students.

According to the U.S. Department of Education’s analysis of the program, those students are more likely to persist through college and attain a degree than other low-income and first-generation students. The more involved the students are—by spending more time in the program or using more services—the more likely they are to complete college.²⁰

State Educational Opportunity Programs Legislators can encourage colleges to apply for federal Student Support Services grants or can provide state funding for institutions to provide similar services. California and New York, for example, have state-funded Educational Opportunity Programs to help low-income, academically disadvantaged youth succeed in college through financial aid and comprehensive student support. Implementation varies by college; while some require participants to enroll in summer bridge programs or orientations, others require a specific course load. Institutions provide Educational Opportunity Program students with individual attention and extensive academic and personal counseling. Nyack College in New York testifies that it has seen noticeable positive effects from the program. Many of its program students have become leaders on campus, have made the dean’s list and have graduated with honors.²¹

Early Warning Systems Effective support services help students stay enrolled in college by proactively targeting those in need before they drop out. Many postsecondary institutions have early warning systems to identify students who are struggling academically and provide them with immediate help. At Hudson Valley Community College, for

example, faculty use the early warning system to alert academic counselors of students who are struggling in class, are misbehaving or are frequently absent. Faculty members notify counselors early in the semester to give students ample time to improve. The early warning system provides training and support to help faculty identify at-risk students.

High-Impact Practices In addition to providing support services for students, colleges and universities can promote other practices that increase degree attainment. Student research, service-learning courses, and internships have proven to help students remain in college and graduate.

The Association of American Colleges and Universities considers research with faculty, service learning and internships “high-impact practices” because of their positive results. Students that participate in these activities not only have higher rates of persistence and graduation, but also gain more personally, intellectually and culturally from their education. These positive results apply to all students, but appear to be even more evident in minorities and low-income students. Compared to non-Hispanic students, Hispanic students that participated in “high-impact” activities had better grade point averages, and African American students had higher chances of persisting in college than whites.²²

Research Experience Undergraduate research opportunities give students the chance to work closely with faculty. Research experience can motivate students to continue their education toward advanced degrees. According to the *High-Impact Educational Practices* report, “Students who do research with faculty also are more likely to persist, gain more intellectually and personally, and choose a research-related field as a career.”²³ The report also indicates that students have positive and supportive relationships with the faculty.



Service Learning Service learning courses require that students apply what they are learning in class to a community service experience. For example, a public policy course on women as leaders could have its students mentor at-risk girls at local middle schools. The students then would reflect on their mentoring experiences in class. By connecting the classroom with the community, learning becomes more meaningful and engaging—the students integrate what

they learn in school into their lives and careers. They also learn the importance of civic responsibility and giving back to their communities. Further, by having a service project that classmates work and reflect on together, service learning courses can increase the social connection among students.

Internships Internships embed students in a job in a career field of interest and enable them to see how their degree can help them. These experiences can lead to greater persistence because students see a tangible result of their educational efforts. Internships also allow students to encounter a work environment with which they may not be familiar, increasing student confidence that they can do the job. If the internship leads them to see that job is not something they want to do after college, students still have time to change their major.

Encouraging underrepresented students to participate in activities such as research with faculty, service learning and internships can be an effective strategy for increasing graduation rates and overall student success. Although most institutions develop and implement their own programs, legislators can offer funding or other incentives to promote high-impact activities. A state plan or agenda on higher education is a good place for legislators to encourage institutions to provide and promote high-impact practices.

Creating State Agendas that Promote College Success

State legislators can take leadership to improve college completion by letting institutions know that student retention and success are state priorities and that the institutions will be held accountable for results. A state agenda on college success can send that signal. These agendas identify priorities, set goals, and recommend policies and practices to improve college completion. Several legislatures have created task forces that bring together policymakers and higher education stakeholders to articulate state agendas.

Arkansas In 2007, the Arkansas General Assembly passed Act 570, creating the Legislative Task Force on Higher Education Remediation, Retention and Graduation Rates. The task force consisted of the governor, legislative leaders, college administrators, faculty and state education board members. The task force was charged with researching and analyzing Arkansas trends and data on student success, and creating a plan to decrease remedial education and increase student retention and graduation. The task force held 16 meetings, during which outside stakeholders presented members with comprehensive testimony and information.

In 2008, the task force released a report of its findings with a set of recommendations, incorporating many of the practices highlighted in this brief.

For example, the task force suggests requiring colleges and universities to use an early warning system to identify students struggling academically. The report also encourages colleges to increase student support services and recommends appropriating \$500,000 for the expanded services. Specifically, the task force mentions such strategies as learning communities, academic help measures and personal support services. Another recommendation is for colleges to take into special consideration the needs of underrepresented students and the fact that they are most likely to drop out during their first year. The task force suggests that colleges offer first-year experiences and evaluate how introductory courses could be redesigned to improve student success. Finally, the task force proposes an annual statewide conference where two- and four-year institutions could share strategies on retention and graduation. The conference could be valuable in continuing reform efforts and providing an opportunity for collaboration.²⁴

Illinois In 2007, the Illinois General Assembly adopted House Joint Resolution 69, which created the Public Agenda Task Force and directed it to study higher education challenges and opportunities. As in Arkansas, the task force consisted of policymakers, state education leaders, and administrators and faculty from postsecondary institutions. The task force held six formal meetings and conducted regional forums and special briefings. The task force developed a state plan for higher education, taking into consideration input from a wide range of stakeholders. The final report, the *Public Agenda for College and Career Success*, lays out the state plan and serves as a guide for policymakers and higher education institutions as they consider policies, priorities and funding. It defines four main goals for Illinois: to increase access to postsecondary education; to make affordability a priority; to increase the number of degree holders in the state; and to use education, research and innovation to meet economic needs.

Legislators played an integral part in developing the public agenda, and also have a key role in implementing it and monitoring institutional progress. To facilitate institutional accountability to the legislature, the public agenda report advocates more robust state data systems that can accurately track retention and graduation rates.²⁵

South Carolina In South Carolina, the Higher Education Study Committee was formed by the General Assembly to create a state agenda to improve the higher education system. To accomplish that task, the study committee developed a project plan involving participants from the education, business and government sectors. Subcommittees and additional task forces were formed to study specific issues in depth. The result, a comprehensive report titled *Leveraging Higher Education for a Stronger South Carolina*, includes detailed analysis and recommendations. The report provides information regarding cost, priority, timeline and responsibility for each recommendation.²⁶

The report highlights the need for redesigning introductory courses that currently have high failure rates. Another recommendation urges institutions to develop early warning systems to provide students with immediate academic help, particularly during their first year. The report also advises continuing and expanding support for retention programs such as "academic support services, new student orientation, service learning, academic advisement, counseling, tutoring, cultural enrichment, 'freshman year' and 'sophomore year' programs."²⁷ Summer transition and bridge programs also are mentioned as useful to help students adapt to college.

Conclusion

To maximize a state's investment in higher education and reach state goals for higher college completion rates, state legislators will want to understand the array of college success programs and know which are effective. Students who are supported in their classes and involved on campus are more likely to graduate. Therefore, student success programs should aim to increase the academic and social engagement of the students beginning in the first year of college and continuing until graduation.

As policymakers work to improve college success for underrepresented students, some points to consider include the following.

- Recognize the common risk factors that underrepresented students face and consider them in developing success programs.
- Use funding or other incentives to encourage institutions to target programs to first-year students.
- Encourage institutions to promote first-year programs such as learning communities, bridge and orientation programs, and first-year seminars to help students remain in school.

- Press institutions to measure the comparative effectiveness of the success programs.
- Support the redesign of introductory courses that have high failure rates to help students be more successful, and use technology to lower costs and improve efficiency.
- Consider funding or incentives to help institutions expand student support services that help students progress from first year to graduation.
- Fully leverage federal funding such as the TRIO programs, which award grants to institutions for student support.
- Recommend that institutions expand programs that keep students engaged academically and socially, such as research with faculty, service learning and internships.
- Create legislative task forces to bring together various stakeholders to develop a state agenda on student success. Institutions need clear signals from state legislatures that retention and success are priorities and that they will be held accountable for results.

Notes

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FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SB 221
() Publish Date: _____

Identifier (file name): SB221-LEG-LOB-01-25-10 Dept. Affected: Legislature
Title "An Act establishing an advisory task force on higher education in education in the legislative branch of government;..." RDU Legislative Operating Budget
Component Legislative Operating Budget
Sponsor Senators Stevens, McGuire
Requester Senate Education Committee Component Number 796

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	Appropriation Required	Information					
	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Personal Services							
Travel	14.0						
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	14.0	0.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts							
1003 GF Match							
1004 GF	14.0						
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	14.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

SB 221 establishes an Advisory Task Force on Higher Education in the Legislative Branch of government. The Task Force consists of 13 members from various education and government entities. Members serve without compensation but are entitled to per diem and travel expenses. The legislation provides that per diem and travel expenses shall be paid from the budget of the agency or institution the member represents on the Task Force. The agency or institution can opt out of participating to avoid payment of per diem and travel expenses. The Legislature has two members on the Task Force, the Chairs of the Senate and House Education Committees.

It is anticipated that the Task Force will hold six meetings. Travel costs for the Legislators and staff are included in this fiscal note for two meetings in Anchorage and two meetings in Fairbanks. The other two meetings will be teleconferenced. The costs for employees of the Education Committee Chairs to staff the Task Force, costs for teleconferencing meetings, and printing the final the report which is due March 1, 2011 will be absorbed within existing budgets.

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