

SB

224

STATE CAPITOL
PO Box 110001
Juneau, Alaska 99811-0001
907-465-3500
fax: 907-465-3532



550 West 7th Avenue #1700
Anchorage, Alaska 99501
907-269-7450
fax 907-269-7463
www.gov.alaska.gov
Governor@alaska.gov

Governor Sean Parnell
STATE OF ALASKA

January 15, 2010

The Honorable Gary Stevens
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Stevens,

Under the authority of Art. III, Sec. 18, of the Alaska Constitution, I am transmitting a bill that will create a merit-based scholarship program for Alaska high school students who pursue higher education in Alaska.

This legislation, referred to as the Governor's Performance Scholarship (GPS), is patterned after successful scholarship programs in 22 other states. The GPS will improve high school graduation rates, prepare students for college or job training, provide Alaskan students with affordable opportunities for higher education, sustain Alaska's economy with a capable workforce, and retain equipped, hardworking Alaskan students.

This bill provides four tiers of scholarship payment for qualified high school graduates. Three of these tiers would be designated for academic scholarships, and the fourth for career and technical school scholarships.

The key feature of the scholarship program is that it is merit-based. All students who participate will be required to complete a more rigorous high school curriculum consisting of four years of language arts, mathematics, and science, and three years of social studies. Students will also be evaluated according to standards established for their grade-point averages and scores on college entrance or work-ready examinations.

The program will provide an incentive for students to challenge themselves in high school and to graduate. It also provides an impetus for schools to enhance curriculum. Studies have shown that students who take a rigorous curriculum in high school are more likely to do well in college and job training programs. Thus, the scholarship recipients will be more likely to achieve their certification or degree.

Students who achieve the highest attainable grade point average and examination scores will be awarded the highest tier of the academic scholarship for an Alaska-based college or university. This tier will equal the full cost of tuition at an Alaskan university for the 2010-2011 school year. The second and third tiers of the academic scholarship will be 75 and 50 percent the amount of

The Honorable Gary Stevens

January 15, 2010

Page 2

respective tuition. Students will be eligible for the academic scholarship for a maximum of eight semesters. Students who qualify for a career or technical school scholarship will receive an award of full fees for training, the maximum at \$3,000 per year. The career and technical scholarship may be used by a student for up to two years.

The GPS will only be accessible to Alaska residents. However, this bill will allow that Alaskan military members and their families will not lose eligibility on account of their service.

The bill will require that money from these scholarships will only be spent at qualified Alaska post-secondary institutions or training programs. Students educated in the state are more likely to remain in the state. This provision encourages our best and brightest young people to remain in the state and prepare qualified Alaskan workers for Alaskan jobs.

The GPS program contains a "use it or lose it" provision: students will have a six-year window to apply the scholarship to a postsecondary institution. This protects the State of Alaska from an extended liability. As previously stated, the bill will provide extensions for Alaskans who serve in the military.


The GPS will be administered by the Alaska Department of Education and Early Development, the Department of Labor and Workforce Development, and the Alaska Commission on Postsecondary Education. Regulations will be adopted to govern the program, grade-point average standard, eligibility criteria and an appeals process to consider extraordinary circumstances. The Alaska Commission on Postsecondary Education will adopt regulations for streamlined application, award, and continuing eligibility standards.

Also, this bill will establish a fund whose earnings could be used to pay for scholarships. The proposed fund is based on other funds established in statute, such as the Alaska Veterans' Memorial endowment fund, and will be managed by the Department of Revenue. Nothing in this bill will establish a dedicated fund.

The GPS is modeled after the famous "Taylor plan," established by private businessman, Patrick Taylor, to keep students in school and motivate them to pursue successful postsecondary education. Currently, twenty-two states have "Taylor like" state-sponsored plans.

I urge your prompt and favorable action on this bill.

Sincerely,



Sean Parnell
Governor

Enclosure

SENATE EDUCATION COMMITTEE

CO-CHAIRMEN:
SENATOR KEVIN MEYER
SENATOR JOE THOMAS



MEMBERS:
SENATOR BETTYE DAVIS
SENATOR CHARLIE HUGGINS
SENATOR GARY STEVENS
SENATOR DONALD OLSON

TO: All Members

FROM: Senator Kevin Meyer, Senator Joe Thomas
Co-Chairs, Senate Education Committee

RE: Joint Meeting HB 297/ SB 224 "An act to establish the governor's performance scholarship program..."

LOCATION: BARNE S 124-- Location Change --

DATE/TIME: Monday, February 1 - 8am

AGENDA

SB 224/ HB 297 - "An Act establishing the governor's performance scholarship program and relating to the program; establishing the governor's performance scholarship fund and relating to the fund; relating to student records; making conforming amendments; and providing for an effective date."

Bills Previously Scheduled & Heard

Jomo Stewart, Committee Aide
(907) 465-6874

Murray Richmond, Committee Aide
(907) 465 - 6443

Senate_Education@legis.state.ak.us

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSSB 174 (Fin)
 () Publish Date: _____

Identifier (file name): _____ Dept. Affected: University
 Title: An Act relating to scholarships . . . RDU: Statewide Programs and Services
 Sponsor: Senate Finance Committee Component: Statewide Services
 Requester: Senate Finance Committee Component Number: 730

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 | | 7,732.2 | 7,732.2 | 5,537.8 | 6,468.8 | 7,369.6 | 8,202.4 | 9,256.7 |
| Miscellaneous | | | | | | | | |
| TOTAL OPERATING | | 7,732.2 | 7,732.2 | 5,537.8 | 6,468.8 | 7,369.6 | 8,202.4 | 9,256.7 |

CAPITAL EXPENDITURES

CHANGE IN REVENUES ()

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 | 7,732.2 | 7,732.2 | 5,537.8 | 6,468.8 | 7,369.6 | 8,202.4 | 9,256.7 |
| 1005 GF/Program Receipts | | | | | | | |
| 1037 GF/Mental Health | | | | | | | |
| Other Interagency Receipts | | | | | | | |
| TOTAL | 7,732.2 | 7,732.2 | 5,537.8 | 6,468.8 | 7,369.6 | 8,202.4 | 9,256.7 |

Estimate of any current year (FY2010) cost: _____

POSITIONS

| | FY 2011 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 |
|-----------|---------|---------|---------|---------|---------|---------|---------|
| Full-time | 0.0 | 0.00 | 0 | 0 | 0 | 0 | 0 |
| Part-time | 0.0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Temporary | 0.0 | 0 | 0 | 0 | 0 | 0 | 0 |

ANALYSIS: (Attach a separate page if necessary)
 This bill creates Alaska scholars program based on the existing University of Alaska scholars program, increases the annual awards to students, and increases the number of students eligible for the program. The appropriations listed would be in addition to the existing \$3,800.0 funded by the University of Alaska from the Land Grant Trust Fund and currently budgeted within the university's budget. Key assumptions: Tuition rates for FY11 and FY12 as approved by the Board of Regents; tuition rates for FY13-FY14 increasing by 10% each year and FY15-FY16 by 5% each year. Student numbers assume 3% annual growth in the number of students accepting the award, and that 60% of current recipients are in the top 5% of their class and 40% are in the next 5% of their class, and assume the number of new freshman in the third 5% of the class who accept the award will be half the number of the top 10%. As is the case with the current program, all four years of award are reserved in the year of award.

Prepared by: _____ Phone: _____
 Division: _____ Date/Time: _____
 Approved by: Wendy Redman Date: 4/10/10

ALASKA STATE LEGISLATURE



SESSION ADDRESS
Alaska State Capitol
Juneau, AK 99801-1182
(907) 465-4925
Fax (907) 465-3517

INTERIM ADDRESS
305 Center Ave, Ste 1
Kodiak, AK 99615
(907) 486-4925
Fax (907) 486-5264

Senator Gary Stevens *President of the Senate*

LETTER OF INTENT FOR SENATE BILL 224

It is the intent of the Senate to establish a scholarship program with the following provisions.

All funding and the Alaska Merit Scholarship program will go into effect July 1, 2010. The program goes into effect for students who graduate in the Spring semester of 2010.

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

- (1) the first award level is \$4,755 and requires a 3.5 grade-point average or above and a very high score on a college entrance examination;
- (2) the second award level is \$3,566 and requires a 3.0 grade-point average or above and a high score on a college entrance examination;
- (3) the third award level is \$2,378 and requires a 2.5 grade-point average or above and a moderately high score on a college entrance examination.

Appropriations to the Alaska Merit Scholarship Program

The commission shall distribute not more than \$7,000,000 or, if available funding from appropriations and other sources is less than that amount, the full amount available in grant awards on behalf of eligible students under AS 14.43.810. Payments shall be made directly to the postsecondary or lending institution if feasible. If available funds are insufficient to fully fund grants to eligible students, the commission shall distribute funds to eligible applicants on a pro rata basis.

It is the intent of the Legislature that the subsection above will be repealed June 30, 2011

Appropriations to AlaskAdvantage Grant Program

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

It is the intent of the Legislature that the subsection above will be repealed June 30, 2011

SENATE EDUCATION COMMITTEE

CO-CHAIRMEN:

SENATOR KEVIN MEYER

SENATOR JOE THOMAS



MEMBERS:

SENATOR BETTYE DAVIS
SENATOR CHARLIE HUGGINS
SENATOR DONALD OLSON
SENATOR GARY STEVENS

Letter of Intent for Senate Bill 224

An Act establishing the Alaska Student Achievement Program...

It is the intent of the legislature to establish a scholarship program with the following goals:

- N (1) improving preparedness of Alaska students for postsecondary education;
- ? (2) improving the postsecondary academic achievement;
- ? (3) improving the postsecondary graduation rates of students in the state;
- N (4) providing a rigorous curriculum in all high schools in the state;
- N (5) improving the quality of the educational programs offered by high schools in the state;
- N (6) improving academic performance of students in grades kindergarten through 12 in the state;
- N (7) increasing high school graduation rates in the state;
- N (8) increasing the scores of high school students in the state on college entrance examinations;
- Y (9) expanding the pool of high school students in the state who pursue postsecondary opportunities;
- Y (10) increasing participation of Alaska high school graduates in Alaska postsecondary institutions; and
- ? (11) increasing job training opportunities in the state

Jomo Stewart, Committee Aide
(907) 465-6874

Murray Richmond, Committee Aide
(907) 465-6443

Senate_Education@legis.state.ak.us

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Mischel
3/8/10

CS FOR SENATE BILL NO. 224(EDC)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE EDUCATION COMMITTEE

Offered:
Referred:

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

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing the governor's performance scholarship program and relating to
2 the program; establishing the governor's performance scholarship fund and relating to
3 the fund; relating to student records; making conforming amendments; and providing
4 for an effective date."

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

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

7 **Sec. 14.03.113. District determination of scholarship eligibility.** A school
8 district shall determine whether a student who graduates from a high school in the
9 district is eligible for an award of a merit-based governor's performance scholarship
10 under AS 14.43.810 - 14.43.890. If a student is eligible, the district shall state in the
11 student's permanent record the highest tier of funding for which the student is eligible.
12 A district shall provide a student with an opportunity to request that the district correct
13 an error in the eligibility determination.

14 * Sec. 2. AS 14.07.020(a) is amended to read:

1 (a) The department shall

2 (1) exercise general supervision over the public schools of the state
3 except the University of Alaska;

4 (2) study the conditions and needs of the public schools of the state,
5 adopt or recommend plans, administer and evaluate grants to improve school
6 performance awarded under AS 14.03.125, and adopt regulations for the improvement
7 of the public schools;

8 (3) provide advisory and consultative services to all public school
9 governing bodies and personnel;

10 (4) prescribe by regulation a minimum course of study for the public
11 schools; the regulations must provide that, if a course in American Sign Language is
12 given, the course shall be given credit as a course in a foreign language;

13 (5) establish, in coordination with the Department of Health and Social
14 Services, a program for the continuing education of children who are held in detention
15 facilities in the state during the period of detention;

16 (6) accredit those public schools that meet accreditation standards
17 prescribed by regulation by the department; these regulations shall be adopted by the
18 department and presented to the legislature during the first 10 days of any regular
19 session, and become effective 45 days after presentation or at the end of the session,
20 whichever is earlier, unless disapproved by a resolution concurred in by a majority of
21 the members of each house;

22 (7) prescribe by regulation, after consultation with the state fire
23 marshal and the state sanitarian, standards that will ensure healthful and safe
24 conditions in the public and private schools of the state, including a requirement of
25 physical examinations and immunizations in pre-elementary schools; the standards for
26 private schools may not be more stringent than those for public schools;

27 (8) exercise general supervision over pre-elementary schools that
28 receive direct state or federal funding;

29 (9) exercise general supervision over elementary and secondary
30 correspondence study programs offered by municipal school districts or regional
31 educational attendance areas; the department may also offer and make available to any

1 Alaskan through a centralized office a correspondence study program;

2 (10) accredit private schools that request accreditation and that meet
3 accreditation standards prescribed by regulation by the department; nothing in this
4 paragraph authorizes the department to require religious or other private schools to be
5 licensed;

6 (11) review plans for construction of new public elementary and
7 secondary schools and for additions to and major rehabilitation of existing public
8 elementary and secondary schools and, in accordance with regulations adopted by the
9 department, determine and approve the extent of eligibility for state aid of a school
10 construction or major maintenance project; for the purposes of this paragraph, "plans"
11 include educational specifications, schematic designs, and final contract documents;

12 (12) provide educational opportunities in the areas of vocational
13 education and training, and basic education to individuals over 16 years of age who
14 are no longer attending school;

15 (13) administer the grants awarded under AS 14.11;

16 (14) establish, in coordination with the Department of Public Safety, a
17 school bus driver training course;

18 (15) require the reporting of information relating to school disciplinary
19 and safety programs under AS 14.33.120 and of incidents of disruptive or violent
20 behavior;

21 (16) establish by regulation criteria, based on low student performance,
22 under which the department may intervene in a school district to improve instructional
23 practices, as described in AS 14.07.030(14) or (15); the regulations must include

24 (A) a notice provision that alerts the district to the deficiencies
25 and the instructional practice changes proposed by the department;

26 (B) an end date for departmental intervention, as described in
27 AS 14.07.030(14)(A) and (B) and (15), after the district demonstrates three
28 consecutive years of improvement consisting of not less than two percent
29 increases in student proficiency on standards-based assessments in math,
30 reading, and writing as provided in AS 14.03.123(f)(2)(A); and

31 (C) a process for districts to petition the department for

1 continuing or discontinuing the department's intervention;

2 (17) notify the legislative committees having jurisdiction over
3 education before intervening in a school district under AS 14.07.030(14) or redirecting
4 public school funding under AS 14.07.030(15);

5 (18) administer duties assigned to the department under the
6 governor's performance scholarship program established in AS 14.43.810 -
7 14.43.890.

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

9 (e) The commission may

10 (1) adopt regulations under AS 44.62 (Administrative Procedure Act)
11 to

12 (A) carry out the purposes of

13 (i) AS 14.43.091 - 14.43.890 [AS 14.43.091 -
14 14.43.750], 14.43.990, AS 14.44, and AS 14.48; and

15 (ii) AS 14.43.910 and 14.43.920 as they relate to the
16 purposes of AS 14.43.091 - 14.43.890 [AS 14.43.091 - 14.43.750],
17 14.43.990, AS 14.44, and AS 14.48;

18 (B) ensure compliance with the requirements imposed by state
19 and federal statutes and regulations governing the guaranty, insurance,
20 purchase, or other dealings in eligible loans by federal agencies,
21 instrumentalities, or corporations; and

22 (C) establish standards for the

23 (i) administration of hearings conducted under
24 AS 14.43.153; and

25 (ii) administrative enforcement of collection orders
26 under AS 14.43.151 - 14.43.155;

27 (2) delegate to the executive director of the commission or a
28 subcommittee of the commission any duty imposed on or power granted to the
29 commission by this chapter, AS 14.43, AS 14.44, or AS 14.48, except its power to
30 adopt regulations and its duty to consider appeals under AS 14.43.100(b) and
31 AS 14.48.120;

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

4 (4) contract with or use existing institutions of postsecondary
5 education or other individuals or organizations to make studies, conduct surveys,
6 submit recommendations, or otherwise contribute to the work of the commission;

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

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

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

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

16 * **Sec. 4.** AS 14.42.200 is amended to read:

17 **Sec. 14.42.200. General powers.** In addition to other powers granted in this
18 chapter, the corporation may

19 (1) sue and be sued in its own name;

20 (2) adopt an official seal;

21 (3) adopt regulations under AS 44.62 (Administrative Procedure Act)
22 to carry out the purposes of this chapter;

23 (4) make and execute agreements, contracts, and other instruments
24 necessary or convenient in the exercise of the powers and functions of the corporation,
25 including contracts with a person or governmental entity;

26 (5) receive, take, hold, and administer, on behalf of the corporation and
27 for any of its purposes, any appropriation, gift, grant, bequest, devise, or donation of
28 real property or personal property if that obligation of the corporation is not a debt of
29 the state; in this paragraph, "property" includes

30 (A) money; and

31 (B) life estates, leases, or other interests in property;

1 (6) borrow money as provided in this chapter to carry out its corporate
2 purposes and issue its obligations as evidence of the borrowing;

3 (7) include in a borrowing the amounts to pay financing charges,
4 interest on the obligations for a period not exceeding one year after the date on which
5 the corporation estimates funds will otherwise be available to pay the interest,
6 consultant, advisory, and legal fees, and other expenses necessary or incident to the
7 borrowing;

8 (8) invest or reinvest, subject to its contracts with noteholders and
9 bondholders, money held by the corporation as set out in AS 37.10.071;

10 (9) set and collect interest, fees, and charges in connection with
11 education loans or repayment obligations held by the corporation and its servicing
12 agents; in this paragraph, "charges" includes costs of financing by the corporation,
13 service charges, insurance premiums, and other costs incurred by the corporation in
14 carrying out its corporate purposes;

15 (10) gather information on postsecondary education financial resources
16 available to residents of this state and disseminate the information to reasonably
17 ensure that qualified residents are aware of those financial resources;

18 (11) service education loans and repayment obligations held by the
19 corporation;

20 (12) purchase or participate in the purchase of education loans;

21 (13) contract in advance for the purchase or sale of education loans;

22 (14) sell or participate in the sale, either public or private and on terms
23 authorized by the board, of education loans to the Student Loan Marketing Association
24 or to other purchasers;

25 (15) collect and pay reasonable fees and charges in connection with the
26 purchase, sale, and servicing of education loans and repayment obligations;

27 (16) enter into agreements with the federal government, including
28 guaranty agreements and supplemental guaranty agreements as described in 20 U.S.C.
29 1001 - 1155, as amended, as necessary to provide for the receipt by the corporation of
30 administrative allowances and other benefits available under 20 U.S.C. 1001 - 1155,
31 as amended;

1 (17) administer federal money allotted to the state involving insured
2 education loans and related administrative costs and other matters;

3 (18) enter into agreements with the commission relating to education
4 loans and repayment obligations, the administration of the financial aid and loan
5 programs under AS 14.43.091 - 14.43.890 [AS 14.43.091 - 14.43.750], 14.43.990, and
6 AS 14.44, and the payment of and security for bonds of the corporation;

7 (19) to the extent permitted under contracts with bondholders, consent
8 to the modification of the rate of interest, time of payment of an installment of
9 principal or interest, or other terms of an education loan or repayment obligation held
10 by the corporation;

11 (20) procure insurance against any loss in connection with the
12 operation of its programs;

13 (21) provide advisory services to borrowers and other participants in
14 the corporation's programs;

15 (22) enter into credit facility agreements and make pledges, covenants,
16 and agreements with respect to the repayment of borrowings under the credit facility
17 agreements;

18 (23) develop and implement education financing programs; in this
19 paragraph, "programs" includes

20 (A) programs listed in AS 14.42.030(b)(1);

21 (B) programs for the guaranteeing, servicing, originating, and
22 financing of education loans for borrowers located both inside and outside the
23 state; and

24 (C) federal financial aid programs made under federal law; and

25 (24) perform acts that may be necessary or appropriate to carry out
26 effectively the general objectives and purposes of the corporation under AS 14.42.100
27 - 14.42.990.

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

29 **Article 11A. Governor's Performance Scholarship Program.**

30 **Sec. 14.43.810. Governor's performance scholarship program established;**

31 **Alaska residency.** (a) The governor's performance scholarship program is established

1 for the purpose of ensuring that a rigorous curriculum is available in all high schools
2 in the state and to provide scholarships for high school graduates who are Alaska
3 residents to attend a qualified postsecondary institution in the state.

4 (b) The department shall design the programmatic standards for the
5 scholarships and appeals of adverse decisions. The commission shall administer the
6 daily operations of the program and financing of the program, including the
7 procedures for applying for the scholarships, establishing standards for and ensuring
8 continuing compliance with programmatic standards, and requiring students to apply
9 for other non loan financial aid, consistent with federal law. The respective agencies
10 shall adopt necessary regulations under AS 44.62 after consultation with each other.
11 The department may change the regulations under AS 44.62 relating to the
12 programmatic standards for required academic achievement for eligibility only by
13 giving advance public notice at least one school year before the effective date of the
14 change.

15 (c) For purposes of the program, a student is an Alaska resident if the student
16 meets the requirements for establishing residency under AS 01.10.055.

17 **Sec. 14.43.815. Qualifications of applicants.** (a) A student may apply for a
18 governor's performance scholarship to attend a qualified postsecondary institution in
19 the state if the student

20 (1) has applied or intends to apply for admission to the institution;

21 (2) is an Alaska resident who has

22 (A) graduated, or will graduate after the date of the application,
23 from a high school in the state, including a public school, private school, or
24 home school;

25 (B) graduated, or will graduate after the date of the application,
26 from a high school outside of the state under circumstances allowed by the
27 department; for purposes of this subparagraph, allowable circumstances
28 include a circumstance in which a high school student who is an Alaska
29 resident left the state because of the military service of the student's custodial
30 parent who is an Alaska resident;

31 (3) maintains a minimum grade-point average while attending the

1 postsecondary institution; and

2 (4) meets other minimum qualifications to apply or continue to be
3 eligible for a governor's performance scholarship.

4 (b) A student is not qualified to receive a governor's performance scholarship
5 if the student

6 (1) has not complied with the military selective service registration
7 requirements imposed under 50 U.S.C. App. 453 (Military Selective Service Act), if
8 those requirements apply to the student;

9 (2) is currently in default or owes a refund on a federal financial aid
10 loan under the federal guaranteed student loan program or financial aid awarded under
11 this chapter; or

12 (3) has been convicted of a felony in the state or another jurisdiction
13 and has not qualified for a waiver under standards adopted by the department.

14 (c) The department shall adopt regulations to include an application procedure
15 for the award of a scholarship or for the resumption of a scholarship award for an
16 eligible applicant who has either withdrawn from or delayed enrollment in a qualified
17 postsecondary institution in the state and who has been admitted to a qualified
18 postsecondary institution, regardless of age.

19 **Sec. 14.43.820. Eligibility for a merit-based performance scholarship.** (a)
20 Subject to appropriation, the commission shall award a merit-based performance
21 scholarship to an applicant who meets the eligibility criteria for the award under the
22 program.

23 (b) The programmatic standards for eligibility for an award of a merit-based
24 performance scholarship under the program include the following:

25 (1) the four-year core academic curriculum, which may include virtual
26 curriculum, that the student must have completed in high school; the core academic
27 curriculum must include one of the following:

28 (A) a combination of

29 (i) four years of mathematics;

30 (ii) four years of language arts;

31 (iii) four years of science; and

1 (iv) four years of social studies, one year of which may
2 include a foreign language, Alaska Native language, fine arts, or
3 cultural heritage; or

4 (B) a combination of

5 (i) three years of mathematics;

6 (ii) four years of language arts;

7 (iii) three years of science;

8 (iv) four years of social studies; and

9 (v) two years of a foreign language, Alaska Native
10 language, fine arts, or cultural heritage;

11 (2) the minimum grade average that the student must have achieved in
12 high school to be eligible for each of the three tiers of merit-based scholarship award;
13 the top tier is the A average tier, the second tier is the B average tier, and the third tier
14 is the C plus average tier; the grade-point average for the A average tier is 3.5 or
15 higher, for the B average tier is less than 3.5 but not less than 3.0, and for the C plus
16 average tier is less than 3.0 but not less than 2.5; the department shall set by regulation
17 minimum requirements based on a substantially similar standard for districts that do
18 not assign grades;

19 (3) the minimum score on a college entrance examination that the
20 student must have achieved to be eligible for each of the three tiers of merit-based
21 scholarship award;

22 (4) a process by which a student who meets the grade standards in (2)
23 of this subsection for a particular tier, but does not meet the minimum scores
24 established under (3) of this subsection for that tier, may apply for a lower tier
25 scholarship;

26 (5) enrollment in a course of study at a qualified postsecondary
27 institution as described in AS 14.43.835 that is intended to result in the award of a
28 certificate or degree;

29 (6) a process through which a student who is no longer eligible can
30 regain eligibility;

31 (7) a process through which a home-schooled or private-schooled

1 student may submit evidence to the qualified postsecondary institution that establishes
2 the equivalent of the high school diploma, grade-point average, and core academic
3 curriculum for public school students.

4 **Sec. 14.43.825. Maximum award and allowable uses; merit-based**
5 **performance scholarship.** (a) Subject to (b) - (e) of this section, the maximum award
6 for a merit-based performance scholarship under the program is,

7 (1) for a student who demonstrates very high academic achievement,
8 the cost of approved tuition for a full-time student in school year 2009 through 2010 at
9 ~~the qualified postsecondary institution at which the student intends to enroll;~~ *u of A*

10 (2) for a student who demonstrates high academic achievement, 75
11 percent of approved tuition for a full-time student in school year 2009 through 2010 at
12 the qualified postsecondary institution at which the student intends to enroll;

13 (3) for a student who demonstrates moderate academic achievement,
14 50 percent of approved tuition for a full-time student in school year 2009 through
15 2010 at the qualified postsecondary institution at which the student intends to enroll.

16 (b) Subject to (e) of this section, a student who qualifies for a merit-based
17 scholarship may apply the award to the costs of attending a qualified career and
18 technical school program as described in AS 14.43.835(a)(2);

19 (c) A part-time student who receives a merit-based scholarship and is enrolled
20 on at least a half-time basis is eligible for an award on a pro rata basis. *5-1/2 hrs per week*

21 (d) A student receiving a merit-based scholarship may remain eligible for up
22 to 12 semesters of enrollment at a qualified university or college, which may include
23 graduate courses, or for up to two calendar years of attendance at a qualified career or
24 technical school. A student may not receive more than one merit-based scholarship
25 award.

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

30 **Sec. 14.43.828. Eligibility for a needs-based performance scholarship;**
31 **maximum award.** (a) Subject to appropriation, the commission shall award a needs-

*Full-time
1.5- credit hrs
Half-time
6-11*

u of A

*5-1/2 hrs
per week*

1 based performance scholarship to a student who meets the eligibility criteria for the
2 award.

3 (b) A student is eligible to receive a needs-based performance scholarship if
4 the student

5 (1) is eligible for a merit-based performance scholarship; and

6 (2) can demonstrate, in a year in which the student receives a
7 scholarship, that the student has unmet financial need greater than \$2,000.

8 (c) The maximum amount for a needs-based performance scholarship is 50
9 percent of the unmet financial need that exceeds \$2,000.

10 (d) The qualified postsecondary institution attended by the student shall
11 determine unmet financial need by subtracting from the student's allowable standard
12 costs of attendance at the institution all non loan sources of financial support,
13 including an expected family contribution and all federal, state, and private
14 scholarships or grants received by the student.

15 (e) In this section,

16 (1) "allowable standard costs of attendance" means, for a student who
17 receives a merit-based performance scholarship, the costs of attendance at the
18 qualified postsecondary institution that the student attends or plans to attend, as
19 determined by the commission based on room and board costs that do not exceed the
20 standard room and board costs at the University of Alaska as determined by the
21 commission;

22 (2) "expected family contribution" means the amount a student or the
23 student's family is expected to pay toward the student's cost of attendance, as
24 determined by use of the most recent federal Free Application for Federal Student Aid.

25 **Sec. 14.43.830. Programmatic standards.** (a) Subject to (b) of this section,
26 the department shall establish programmatic standards for the program.

27 (b) The department shall establish a make-up procedure or alternative pathway
28 to allow students who are not eligible for a scholarship to make up a deficit by
29 alternative means if the deficit was caused by circumstances beyond the student's
30 control. The department may not waive a requirement and shall require the student to
31 achieve a result comparable to that required of other students. The decision of the

1 department regarding a student's eligibility for alternative means is final. In
2 determining circumstances in which the student may pursue alternative means, the
3 department shall consider the effect on students who have met the requirements.
4 Attendance at a high school outside of the state is not a circumstance in which a
5 student may be allowed to pursue alternative means to qualify for a scholarship.
6 Circumstances in which the department may allow a student to pursue alternative
7 means to qualify for a scholarship include the following:

8 (1) the required curriculum was not reasonably available to the student
9 because the student attended a small and remote high school in the state;

10 (2) the deficit was caused by rare and unusual circumstances outside
11 the control of the student.

12 **Sec. 14.43.835. Qualified postsecondary institutions.** (a) The following
13 institutions are qualified postsecondary institutions:

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

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

17 (B) accredited by a regional accreditation association;

18 (2) a career and technical school program physically located in the
19 state that has been included on a list of certified career and technical school programs
20 received from the Department of Labor and Workforce Development; the commission
21 shall publish the list on or before September 1 of the year preceding enrollment.

22 (b) The Department of Labor and Workforce Development shall, in
23 consultation with the Department of Education and Early Development, adopt
24 regulations under AS 44.62 establishing criteria under which the Department of Labor
25 and Workforce Development shall certify career and technical school programs in the
26 state as eligible to participate in the governor's performance scholarship program. The
27 criteria to be considered under this subsection include the following:

28 (1) the quality of the job-training program offered by the career and
29 technical school;

30 (2) the employability of a graduate of the program, including whether
31 the program results in a certificate or license that is recognized by the industry for

1 which the training prepares the student;

2 (3) whether jobs in the industry for which the training prepares the
3 student are available or expected to be available in the future in the state;

4 (4) other criteria established by the Department of Labor and
5 Workforce Development in regulation.

6 (c) A postsecondary institution is physically located in the state if the campus,
7 teachers, classrooms, school administrators, and equipment used to provide the
8 education to the students are physically present in the state. Use of virtual, electronic,
9 or online materials by teachers in the state does not disqualify a postsecondary
10 institution even if the materials are generated outside the state. However, a
11 correspondence, virtual, electronic, or online program that is administered from
12 outside the state is not physically located in the state even if the program is delivered
13 by teachers or equipment in the state. } *Secus (the incomplete statement?)*

14 **Sec. 14.43.840. Application and award.** (a) The commission shall establish
15 application procedures for students to apply for a governor's performance scholarship.

16 (b) The commission shall adopt procedures for payment of scholarship awards
17 to the institution attended by the scholarship recipient. Payment of a scholarship is
18 subject to appropriation. If insufficient funds are appropriated to pay all eligible
19 scholarships, the commission shall pay existing awards on a pro rata basis.

20 (c) A student who is awarded a scholarship in error shall be required to refund
21 to the state the amount of the scholarship awarded in error.

22 **Sec. 14.43.845. Governor's performance scholarship fund income account.**
23 The governor's performance scholarship fund income account is created as an account
24 in the general fund. Money may be appropriated into the account from the expendable
25 earnings of the governor's performance scholarship fund under AS 37.14.750 -
26 37.14.790 and other sources. The commission may use money in the account to pay
27 scholarships awarded to students under AS 14.43.810 - 14.43.890.

28 **Sec. 14.43.850. Report to the legislature.** (a) To the extent permitted under
29 law, the department, the commission, the University of Alaska, the Department of
30 Revenue, and the Department of Labor and Workforce Development shall share data
31 necessary to prepare public reports regarding the program.

1 (b) Not more than 10 days after the convening of each regular legislative
2 session, the department, the commission, the University of Alaska, the Department of
3 Revenue, and the Department of Labor and Workforce Development shall present an
4 annual report to the public, the governor, and the legislature containing information of
5 public interest regarding the program, including

6 (1) the number of applicants and number and types of scholarships
7 awarded;

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

10 (3) data and trends in the data regarding high school and postsecondary
11 student performance, programmatic changes, and graduation rates over time.

12 **Sec. 14.43.890. Definitions.** In AS 14.43.810 - 14.43.890, unless the context
13 requires otherwise,

14 (1) "grade-point average" means the average of all grades on a four-
15 point scale, or five-point scale for advanced placement classes, obtained by the student
16 in high school;

17 (2) "military service" means active duty in the armed forces of the
18 United States;

19 (3) "program" means the governor's performance scholarship program
20 established under AS 14.43.810 - 14.43.890;

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

23 * **Sec. 6.** AS 14.45.130(a) is amended to read:

24 (a) A religious or other private school that elects to comply with AS 14.45.100
25 - 14.45.130 shall maintain permanent student records reflecting immunizations,
26 physical examinations, standardized testing, academic achievement, [AND] courses
27 taken at the school, and level of eligibility for a governor's performance
28 scholarship under AS 14.43.810 - 14.43.890.

29 * **Sec. 7.** AS 23.05.060 is amended to read:

30 **Sec. 23.05.060. Powers of the department.** The department may

31 (1) enforce all state labor laws;

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(2) act as mediator and appoint deputy commissioners of conciliation in labor disputes whenever it considers the interest of industrial peace requires it;

(3) make investigations and collect and compile statistical information concerning the conditions of labor generally and upon all matters relating to the enforcement of this chapter;

(4) institute court proceedings against an employer of labor without cost to the employee when it is satisfied that the employer has failed to pay an employee an amount due by contract;

(5) issue cease and desist orders and other orders and regulations necessary for the enforcement of state labor laws;

(6) in accordance with AS 37.07 (the Executive Budget Act), receive and spend money derived from agreements with local governments, nongovernmental organizations, or other persons;

(7) administer duties assigned to the department under the governor's performance scholarship program established in AS 14.43.810 - 14.43.890.

* Sec. 8. AS 36.30.850(b) is amended to read:

(b) This chapter applies to every expenditure of state money by the state, acting through an agency, under a contract, except that this chapter does not apply to

(1) grants;

(2) contracts for professional witnesses to provide for professional services or testimony relating to existing or probable lawsuits in which the state is or may become a party;

(3) contracts of the University of Alaska where the work is to be performed substantially by students enrolled in the university;

(4) contracts for medical doctors and dentists;

(5) acquisitions or disposals of real property or interest in real property, except as provided in AS 36.30.080 and 36.30.085;

(6) disposals under AS 38.05;

(7) contracts for the preparation and transportation of ballots under

AS 15;

1 (8) acquisitions or disposals of property and other contracts relating to
2 airports under AS 02.15.070, 02.15.090, 02.15.091, and AS 44.88;

3 (9) disposals of obsolete property under AS 19.05.060;

4 (10) disposals of obsolete material or equipment under AS 35.20.060;

5 (11) agreements with providers of services under AS 47.25.071 -
6 47.25.095; AS 47.07; AS 47.08; AS 47.10; AS 47.12; AS 47.14; AS 47.17; AS 47.24;
7 and AS 47.27, including contractors under AS 47.27.050;

8 (12) contracts of the Department of Fish and Game for flights that
9 involve specialized flying and piloting skills and are not point-to-point;

10 (13) purchases of income-producing assets for the state treasury or a
11 public corporation of the state;

12 (14) [REPEALED

13 (15)] a contract that is a delegation, in whole or in part, of investment
14 powers held by

15 (A) the commissioner of revenue under AS 14.42.200,
16 14.42.210, AS 18.56.095, AS 37.10.070, 37.10.071, or AS 37.14;

17 (B) the Board of Regents of the University of Alaska under
18 AS 14.40.250 - 14.40.491;

19 (15) [(16)] a contract that is a delegation, in whole or in part, of
20 investment powers or fiduciary duties of

21 (A) the Board of Trustees of the Alaska Permanent Fund
22 Corporation under AS 37.13;

23 (B) the Alaska Mental Health Trust Authority under
24 AS 37.14.001 - 37.14.099;

25 (16) [(17)] the purchase of books, book binding services, newspapers,
26 periodicals, audio-visual materials, network information services access, approval
27 plans, professional memberships, archival materials, objects of art, and items for
28 museum or archival acquisition having cultural, historical, or archaeological
29 significance; in this paragraph

30 (A) "approval plans" means book selection services in which
31 current book titles meeting an agency's customized specifications are provided

1 to the agency subject to the right of the agency to return those books that do
2 not meet with the agency's approval;

3 (B) "archival materials" means the noncurrent records of an
4 agency that are preserved after appraisal because of their value;

5 (C) "audio-visual materials" means nonbook prerecorded
6 materials, including records, tapes, slides, transparencies, films, filmstrips,
7 cassettes, videos, compact discs, laser discs, and items that require the use of
8 equipment to render them usable;

9 (D) "network information services" means a group of resources
10 from which cataloging information, holdings records, inter-library loans,
11 acquisitions information, and other reference resources can be obtained;

12 (17) [(18)] contracts for the purchase of standardized examinations for
13 licensure under AS 08;

14 (18) [(19)] contracts for home health care provided under regulations
15 adopted by the Department of Health and Social Services and for adult residential care
16 services provided under regulations adopted by the Department of Health and Social
17 Services or by the Department of Administration;

18 (19) [(20)] contracts for supplies or services for research projects
19 funded by money received from the federal government or private grants;

20 (20) [(21)] guest speakers or performers for an educational or cultural
21 activity;

22 (21) [(22)] contracts of the Alaska Industrial Development and Export
23 Authority for a clean coal technology demonstration project that

24 (A) is attempting to develop a coal-fired electric generation
25 project;

26 (B) uses technology that is capable of commercialization
27 during the 1990's; and

28 (C) qualifies for federal financial participation under P.L. 99-
29 190 as amended;

30 (22) [(23)] operation and protection of assets or disposals of equipment
31 and supplies acquired through foreclosure or other legal proceedings relating to loans

1 issued under AS 03.10;

2 (23) [(24)] purchases of curatorial and conservation services to
3 maintain, preserve, and interpret

4 (A) objects of art; and

5 (B) items having cultural, historical, or archaeological
6 significance to the state;

7 (24) [(25)] acquisition of confidential seismic survey data necessary
8 for pre-sale oil and gas lease or gas only lease analyses under AS 38.05.180;

9 (25) [(26)] contracts for village public safety officers;

10 (26) [(27)] purchases of supplies and services to support the operations
11 of the Alaska state troopers or law enforcement officers engaged in fish and wildlife
12 protection if the procurement officer for the Department of Public Safety makes a
13 written determination that publicity of the purchases would jeopardize the safety of
14 personnel or the success of a covert operation;

15 (27) [(28)] expenditures when rates are set by law or ordinance;

16 (28) [(29)] construction of new vessels by the Department of
17 Transportation and Public Facilities for the Alaska marine highway system;

18 (29) [(30)] contracts entered into with a regional development
19 organization; in this paragraph, "regional development organization" has the meaning
20 given in AS 44.33.895;

21 (30) [(31)] contracts that are to be performed in an area outside of the
22 country and that require a knowledge of the customs, procedures, rules, or laws of the
23 area;

24 (31) [(32)] contracts that are between the Department of Law and
25 attorneys who are not employed by the state and that are for the review or prosecution
26 of possible violations of the criminal law of the state in situations where the attorney
27 general concludes that an actual or potential conflict of interest makes it inappropriate
28 for the Department of Law to review or prosecute the possible violations;

29 (32) [(33)] contracts between the Department of Natural Resources and
30 contractors qualified to evaluate hydrocarbon development, production, transportation,
31 and economics, to assist the commissioner of natural resources in evaluating

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applications for royalty increases or decreases or other royalty adjustments, and evaluating the related financial and technical data, entered into under AS 38.05.180(j);

(33) [(34)] contracts of the Alaska Industrial Development and Export Authority made with the developer of an integrated transportation and port facility owned by the authority;

(34) [(35)] procurements of contracts with the media for advertising;

(35) [(36)] [REPEALED

(37)] contracts between the state medical examiner and a provider of medical services to perform or assist in performing the duties assigned to the state medical examiner in AS 12.65.020;

(36) [(38)] contracts between the commissioner of revenue and an independent contractor under AS 43.82.240;

(37) [(39)] contracts for a convener under AS 44.62.730 or for a facilitator under AS 44.62.760 related to a negotiated regulation making process under AS 44.62.710 - 44.62.800;

(38) [(40)] REPEALED

(41)] a tourism marketing contract awarded under AS 44.33.125;

(39) [(42)] grants and contracts with qualified entities for services under AS 47.18.330 for the foster care transition program;

(40) [(43)] contracts for travel services, including airplane travel, hotel accommodations, and travel agency services, but excluding motor vehicle rentals;

(41) [(44)] contracts of the Alaska Commission on Postsecondary Education or the Alaska Student Loan Corporation for the ^{services} guarantee and disbursing of financial aid money to institutions of postsecondary education under the financial aid programs under AS 14.43.091 - 14.43.890 [AS 14.43.091 - 14.43.750] and AS 14.44.025;

(42) [(45)] contracts for an arbitration panel to determine whether a project is uneconomic under AS 43.90.240, and contracts for the development of application provisions for licensure and for the evaluation of those applications under AS 43.90;

(43) [(46)] contracts for delivery of home heating assistance under

1 AS 47.25.626;

2 ~~(44)~~ [(47)] contracts of the Alaska Pension Obligation Bond
3 Corporation under AS 37.16.010 - 37.16.900.

4 * **Sec. 9.** AS 37.14 is amended by adding new sections to read:

5 **Article 8A. Governor's Performance Scholarship Fund.**

6 **Sec. 37.14.750. Governor's performance scholarship fund established.** (a)

7 The governor's performance scholarship fund is established as a fund of the state. The
8 fund consists of

9 (1) appropriations to the fund;

10 (2) donations to the fund; and

11 (3) income earned on investments of fund assets.

12 (b) The commissioner of revenue shall manage the fund with the goal that the
13 purchasing power of the fund will not diminish over time without regard to additional
14 contributions that may be made to the fund. The commissioner shall invest the assets
15 of the fund in a manner likely to yield at least a five percent real rate of return over
16 time.

17 (c) Nothing in this section creates a dedicated fund.

18 **Sec. 37.14.755. Powers and duties of the commissioner of revenue.** In
19 carrying out the investment duties under AS 37.14.750 - 37.14.790, the commissioner
20 of revenue has the powers and duties set out in AS 37.10.071. The commissioner shall
21 provide reports to the Department of Education and Early Development, the
22 Department of Labor and Workforce Development, and the Alaska Commission on
23 Postsecondary Education on the condition and investment performance of the fund.

24 **Sec. 37.14.760. Use of fund.** As soon as practicable after July 1 of each year,
25 the commissioner of revenue shall determine the average month-end market value of
26 the fund for the immediately preceding three fiscal years. The commissioner shall
27 identify five percent of that amount as available for appropriation by the legislature for
28 appropriation to the governor's performance scholarship fund income account created
29 under AS 14.43.845 from which the Alaska Commission on Postsecondary Education
30 may award scholarships under AS 14.43.810 - 14.43.890. The commissioner shall also
31 report as available for appropriation a running total of amounts previously identified

1 as available for appropriation to the governor's performance scholarship fund income
2 account but not appropriated.

3 **Sec. 37.14.790. Definitions.** In AS 37.14.750 - 37.14.790, unless the context
4 requires otherwise,

5 (1) "commissioner" means the commissioner of revenue;

6 (2) "fund" means the governor's performance scholarship fund
7 established in AS 37.14.750(a).

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

10 TRANSITION: PROGRAM STANDARDS AND IMPLEMENTATION FOR
11 INITIAL SCHOOL YEARS. Notwithstanding any contrary provision of this Act, the
12 Department of Education and Early Development and the Department of Labor and
13 Workforce Development, after consultation with the Alaska Commission on Postsecondary
14 Education, may adopt regulations under AS 44.62 to implement their respective duties under
15 the governor's performance scholarship program established in AS 14.43.810, enacted by sec.
16 5 of this Act, so that a student

17 (1) may be eligible for the program even though the student did not fully meet
18 the required core academic curriculum for the school years beginning July 1, 2010, through
19 June 30, 2013; and

20 (2) who graduated from high school in this state after June 30, 2010, and
21 before July 1, 2011, and meets eligibility requirements for the program may apply for a
22 scholarship beginning July 1, 2011.

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

25 TRANSITION: REGULATIONS. The Department of Education and Early
26 Development, the Department of Labor and Workforce Development, and the Alaska
27 Commission on Postsecondary Education may proceed to adopt regulations necessary to
28 implement changes made to their respective authorities by this Act. The regulations take
29 effect under AS 44.62 (Administrative Procedure Act), but not before September 1, 2010.

30 * **Sec. 12.** Section 11 of this Act takes effect immediately under AS 01.10.070(c).

31 * **Sec. 13.** Except as provided in sec. 12 of this Act, this Act takes effect September 1, 2010.

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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.

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4/12/10

CS FOR SENATE BILL NO. 174()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR MENARD

A BILL
FOR AN ACT ENTITLED

1 **"An Act relating to the Alaska scholars program administered by the Board of Regents**
2 **of the University of Alaska and to scholarship information; repealing provisions related**
3 **to University of Alaska scholarships; relating to the AlaskAdvantage Education Grant**
4 **Program; relating to professional student exchange program availability; relating to**
5 **exemptions from the conditions for loan repayment under the medical education**
6 **program; establishing the Alaska student achievement program and relating to the**
7 **program; relating to student records; making conforming amendments; establishing a**
8 **Joint Legislative Higher Education Scholarship Funding Task Force; and providing for**
9 **an effective date."**

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

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

12 **Sec. 14.03.113. District determination of scholarship eligibility. A school**

1 district shall determine whether a student who graduates from a high school in the
2 district is eligible for an award of a merit-based Alaska student achievement program
3 scholarship under AS 14.43.810 - 14.43.850. If a student is eligible, the district shall
4 state in the student's permanent record the highest level of funding for which the
5 student is eligible. A district shall provide a student with an opportunity to request that
6 the district correct an error in the eligibility determination.

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

8 (e) The commission may

9 (1) adopt regulations under AS 44.62 (Administrative Procedure Act)

10 to

11 (A) carry out the purposes of

12 (i) AS 14.43.091 - 14.43.850 [AS 14.43.091 -
13 14.43.750], 14.43.990, AS 14.44, and AS 14.48; and

14 (ii) AS 14.43.910 and 14.43.920 as they relate to the
15 purposes of AS 14.43.091 - 14.43.850 [AS 14.43.091 - 14.43.750],
16 14.43.990, AS 14.44, and AS 14.48;

17 (B) ensure compliance with the requirements imposed by state
18 and federal statutes and regulations governing the guaranty, insurance,
19 purchase, or other dealings in eligible loans by federal agencies,
20 instrumentalities, or corporations; and

21 (C) establish standards for the

22 (i) administration of hearings conducted under
23 AS 14.43.153; and

24 (ii) administrative enforcement of collection orders
25 under AS 14.43.151 - 14.43.155;

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

31 (3) establish task forces, committees, or subcommittees, not

1 necessarily consisting of commission members, to advise and assist the commission in
2 carrying out its functions;

3 (4) contract with or use existing institutions of postsecondary
4 education or other individuals or organizations to make studies, conduct surveys,
5 submit recommendations, or otherwise contribute to the work of the commission;

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

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

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

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

15 * **Sec. 3.** AS 14.43 is amended by adding new sections to read:

16 **Sec. 14.43.011. Creation of the Alaska scholars program.** The Alaska
17 scholars program is created as a scholarship program to be administered by the Board
18 of Regents of the University of Alaska.

19 **Sec. 14.43.021. Scholarship eligibility.** (a) To be eligible for a scholarship
20 from the Alaska scholars program, a student shall

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

23 (2) be academically ranked in the top 15 percent of the student's
24 secondary class at the end of the student's junior year as determined by each qualified
25 high school in the state.

26 (b) To receive a scholarship disbursement from the Alaska scholars program,
27 the student shall

28 (1) have a high school diploma from a qualified high school in the
29 state;

30 (2) by the fall semester that begins within 16 months following the
31 student's high school graduation, be accepted to a certificate or degree program of the

1 University of Alaska; and

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

3 (c) To maintain eligibility for a scholarship disbursement under AS 14.43.026,
4 the student shall

5 (1) successfully complete at least 12 credit hours of courses of the
6 University of Alaska each semester;

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

9 (3) be making progress toward completion of a certificate or degree
10 program.

11 **Sec. 14.43.026. Scholarship award.** (a) The president of the University of
12 Alaska shall award to an eligible student under the Alaska scholars program a
13 scholarship of

14 (1) \$4,755 for a student who is in the top five percent of the student's
15 secondary class;

16 (2) \$3,566 for a student who is below the top five percent and in the
17 top 10 percent of the student's secondary class;

18 (3) \$2,378 for a student who is below the top 10 percent and in the top
19 15 percent of the student's secondary class.

20 (b) Disbursements under this section may not be made for more than eight
21 semesters or for enrollment commencing more than five years after initial enrollment
22 at the University of Alaska.

23 (c) The award may be used only for tuition, fees, room, board, books,
24 supplies, necessary transportation, and other costs incurred for attendance at the
25 University of Alaska.

26 (d) The board of regents may adjust the amount of the scholarship award and
27 disbursement to reflect changes in the cost of education or the amount of funding
28 provided by the state.

29 **Sec. 14.43.031. Financing; administration.** (a) The Alaska scholars program
30 account is established, to be administered by the board of regents. The Alaska scholars
31 program is financed from the account. The account consists of money appropriated to

1 the account by the legislature, which may include appropriations from the endowment
2 trust fund established under AS 14.40.400, from income and earnings of the account,
3 and from any other source. Appropriations to the account do not lapse.

4 (b) The board of regents shall provide not less than \$3,800,000 annually to
5 contribute to the awards provided under AS 14.43.026(a).

6 (c) The board of regents shall make information about the scholarship
7 program available in each school district in the state and at each campus of the
8 University of Alaska.

9 (d) The board of regents may adopt rules, orders, and plans to implement
10 AS 14.43.011 - 14.43.049. The rules may include provisions for discretionary
11 eligibility consideration and leaves of absence that are consistent with the purposes of
12 the Alaska scholars program.

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

14 (1) "accredited" means a school that has been accredited by the
15 Northwest Association of Accredited Schools;

16 (2) "board of regents" means the Board of Regents of the University of
17 Alaska;

18 (3) "department" means the Department of Education and Early
19 Development;

20 (4) "qualified high school" means a public or private secondary school
21 located in the state that is authorized by the department to issue a diploma and that is
22 accredited by the Northwest Association of Schools and Colleges or registered with
23 the department;

24 (5) "scholarship program" means the Alaska scholars program.

25 * **Sec. 4.** AS 14.43.410 is amended by adding a new subsection to read:

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

1 basis.

2 * Sec. 5. AS 14.43.415(a) is amended to read:

3 (a) For an applicant to be eligible for a grant under AS 14.43.400 - 14.43.420,
4 the applicant must be

5 (1) a resident of this state;

6 (2) enrolled or about to be enrolled

7 (A) at an institution [APPROVED TO PARTICIPATE IN
8 FEDERAL FINANCIAL AID PROGRAMS UNDER 20 U.S.C. 1070 - 1099c-
9 2, AS AMENDED,] located in this state that

10 (i) is approved to participate in federal financial aid
11 programs under 20 U.S.C. 1070 - 1099c-2, as amended; or

12 (ii) has been included on a list of certified career and
13 technical school programs approved and published by the
14 Department of Labor and Workforce Development; and

15 (B) on at least a half-time basis; and

16 (3) able to demonstrate financial need in accordance with standards for
17 determining financial need established by the commission under 20 U.S.C. 1070c-2, as
18 amended.

19 * Sec. 6. AS 14.43.415(b) is repealed and reenacted to read:

20 (b) The commission shall give an applicant eligible under (a) of this section
21 priority for a grant award if that applicant is, or is about to be, enrolled in a
22 postsecondary education program that prepares the applicant for employment in an
23 occupation or profession for which there is a severe shortage of trained individuals in
24 the state. In this subsection,

25 (1) "occupation or profession" means a job for which specific
26 postsecondary certification is a prerequisite for entry-level placement;

27 (2) "severe shortage" means a current or recurring job vacancy rate of
28 15 percent or greater, as determined by the Department of Labor and Workforce
29 Development or by another workforce data source determined reliable by the
30 commission.

31 * Sec. 7. AS 14.43.420(a) is amended to read:

1 (a) A grant made under AS 14.43.400 - 14.43.420 may not be in an amount
2 less than \$1,000 [\$500] nor more than \$5,000 [\$2,000] for each school year.

3 * Sec. 8. AS 14.43.420(c) is amended to read:

4 (c) A student may receive not more than a total of \$20,000 [\$8,000] in grants
5 awarded under AS 14.43.400 - 14.43.420.

6 * Sec. 9. AS 14.43.510(g) is amended to read:

7 (g) This section does not apply to scholarships received by a person under
8 AS 14.43.011 - 14.43.049 or 14.43.050 - 14.43.075, to free tuition and fees at a
9 state-supported educational institution authorized by AS 14.43.085, or to loans
10 received by a person under AS 14.43.091 - 14.43.160 [AS 14.43.010 - 14.43.160] or
11 14.43.710 - 14.43.750.

12 * Sec. 10. AS 14.43 is amended by adding new sections to read:

13 **Article 11A. Alaska Student Achievement Program.**

14 **Sec. 14.43.810. Alaska student achievement program established;**
15 **regulations.** (a) The Alaska student achievement program is established to provide
16 scholarships for high school graduates who are Alaska residents to attend a qualified
17 postsecondary institution in the state.

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

24 **Sec. 14.43.820. Eligibility for an Alaska student achievement program**
25 **scholarship.** (a) Subject to appropriation, the commission shall award an Alaska
26 student achievement program scholarship to an applicant who

- 27 (1) is a resident of the state as defined in AS 01.10.055;
- 28 (2) graduated or will graduate within six months from a high school in
29 the state;
- 30 (3) has completed a core academic curriculum in high school that
31 includes

1 (A) a combination of
2 (i) four years of mathematics;
3 (ii) four years of language arts;
4 (iii) four years of science; and
5 (iv) four years of social studies, one year of which may
6 include a foreign language, an Alaska Native language, fine arts, or
7 cultural heritage; or

8 (B) a combination of
9 (i) three years of mathematics;
10 (ii) four years of language arts;
11 (iii) three years of science;
12 (iv) four years of social studies; and
13 (v) two years of a foreign language or an Alaska Native
14 language;

15 (4) has a minimum grade-point average in high school of 2.5 or higher;
16 the department shall set by regulation minimum requirements based on a substantially
17 similar standard for districts that do not assign grades;

18 (5) has achieved a minimum score on a
19 (A) college entrance examination; or
20 (B) standardized examination designed to measure a student's
21 level of preparedness to make the transition to work, as selected by the
22 department; and

23 (6) is enrolled in good standing at a qualified postsecondary institution
24 in the state in a course of study that is intended to result in the award of a certificate or
25 degree.

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

28 **Sec. 14.43.825. Maximum awards.** (a) The commission shall establish in
29 regulation the maximum awards for the Alaska student achievement program
30 scholarships after considering recommendations of the Joint Legislative Higher
31 Education Scholarship Funding Task Force.

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

4 (c) Scholarships may be awarded to a full-time student or, if a student is
5 enrolled part time, prorated based on the number of credits. In this subsection, "full
6 time" means enrollment in a course of study that is not less than 12 credits and "part
7 time" means enrollment in a course of study that is not less than six credits but less
8 than 12 credits.

9 (d) The amount of a scholarship award may not exceed the amount of the
10 student's costs of attendance as certified by the postsecondary institution for the
11 purposes of federal financial aid, less any other scholarships or non-loan financial aid
12 awarded to the student.

13 (e) Payment of a scholarship is subject to appropriation. If insufficient funds
14 are appropriated to pay all eligible scholarships, the commission shall pay existing
15 awards on a pro rata basis.

16 **Sec. 14.43.830. Qualified postsecondary institutions.** (a) The following
17 institutions are qualified postsecondary institutions for purposes of awarding an
18 Alaska student achievement program scholarship:

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

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

22 (B) accredited by a regional accreditation association;

23 (2) a career and technical school program physically located in the
24 state that has been included on a list of certified career and technical school programs
25 received from the Department of Labor and Workforce Development; the commission
26 shall publish the list on or before June 30 of the year preceding enrollment.

27 (b) The Department of Labor and Workforce Development shall, in
28 consultation with the Department of Education and Early Development, adopt
29 regulations under AS 44.62 (Administrative Procedure Act) establishing criteria under
30 which the Department of Labor and Workforce Development shall certify career and
31 technical school programs in the state as eligible to participate in the Alaska student

1 achievement scholarship program.

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

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

11 (1) the number of applicants and number and types of scholarships
12 awarded;

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

15 (3) data and trends in the data regarding high school and postsecondary
16 student performance, programmatic changes, and retention and graduation rates over
17 time.

18 **Sec. 14.43.850. Definitions.** In AS 14.43.810 - 14.43.850, unless the context
19 requires otherwise,

20 (1) "department" means the Department of Education and Early
21 Development;

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

25 (3) "high school" means a public or accredited secondary school in the
26 state and a home school program that is approved by the department;

27 (4) "program" means the Alaska student achievement program
28 established under AS 14.43.810 - 14.43.850;

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

31 * **Sec. 11.** AS 14.43.930(b) is amended to read:

1 (b) By October 1 [SEPTEMBER 15] before each annual graduation, a
2 qualified high school in the state with a high school graduating class shall provide

3 (1) to the board a list of the names, dates of birth, telephone
4 numbers, and addresses of students in the graduating class who meet scholarship
5 eligibility requirements for each scholarship program; and

6 (2) a notice of eligibility for the scholarship program to those students
7 on the list prepared under (1) of this subsection.

8 * Sec. 12. AS 14.43.930(e) is amended to read:

9 (e) In this section,

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

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

12 [MEANS A PUBLIC HIGH SCHOOL, A HIGH SCHOOL ACCREDITED BY THE
13 NORTHWEST ASSOCIATION OF SCHOOLS AND COLLEGES, OR A HIGH
14 SCHOOL REGISTERED WITH THE DEPARTMENT].

15 * Sec. 13. AS 14.44.025 is amended by adding a new subsection to read:

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

20 (1) dentistry;

21 (2) optometry; and

22 (3) pharmacy.

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

24 (a) A religious or other private school that elects to comply with AS 14.45.100
25 - 14.45.130 shall maintain permanent student records reflecting immunizations,
26 physical examinations, standardized testing, academic achievement, [AND] courses
27 taken at the school, and level of eligibility for an Alaska student achievement
28 scholarship under AS 14.43.810 - 14.43.850.

29 * Sec. 15. AS 14.43.010, 14.43.015, 14.43.020, 14.43.025, and 14.43.030 are repealed.

30 * Sec. 16. The uncodified law of the State of Alaska is amended by adding a new section to
31 read:

1 APPLICABILITY. Section 3 of this Act applies to students who were in their senior
2 year of high school of a public or accredited school in the state with a high school graduating
3 class in the 2009 - 2010 or a subsequent school year.

4 * **Sec. 17.** The uncodified law of the State of Alaska is amended by adding a new section to
5 read:

6 **TRANSITION: PROGRAM STANDARDS AND IMPLEMENTATION FOR**
7 **INITIAL SCHOOL YEARS.** Notwithstanding any contrary provision of this Act, the
8 Department of Education and Early Development and the Department of Labor and
9 Workforce Development, after consultation with the Alaska Commission on Postsecondary
10 Education, may adopt regulations under AS 44.62 (Administrative Procedure Act) to
11 implement their respective duties under the Alaska student achievement program established
12 in AS 14.43.810, enacted by sec. 10 of this Act, so that a student

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

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

20 * **Sec. 18.** The uncodified law of the State of Alaska is amended by adding a new section to
21 read:

22 **TRANSITION: REGULATIONS.** The Department of Education and Early
23 Development, the Department of Labor and Workforce Development, and the Alaska
24 Commission on Postsecondary Education may proceed to adopt regulations necessary to
25 implement changes made to their respective authorities by secs. 1, 2, 10, 14, and 17 of this
26 Act. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not
27 before September 1, 2010.

28 * **Sec. 19.** The uncodified law of the State of Alaska is amended by adding a new section to
29 read:

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

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

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

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

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

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

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

14 (7) establishing a state scholarship program to improve access to student
15 financial aid requires a more thorough examination by the legislature.

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

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

20 (1) recommending award levels for the Alaska student achievement program
21 under AS 14.43.825(a);

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

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

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

27 (d) The task force consists of 11 members, as follows:

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

29 (2) five members of the house of representatives appointed by the speaker of
30 the house of representatives; and

31 (3) one member appointed by the governor.

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

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

4 (g) The task force shall submit a report of its findings and proposed legislative
5 changes to the governor and the legislature by December 1, 2010, and may make any
6 additional reports it considers advisable.

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

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

11 REVISOR'S INSTRUCTION. The revisor of statutes is instructed to change the
12 heading of art. 1 of AS 14.43 from the "University of Alaska Scholarships for High School
13 Graduates" to "Alaska Scholars Program."

14 * **Sec. 21.** Sections 3 - 9, 11 - 13, and 15 - 19 of this Act take effect immediately under
15 AS 01.10.070(c).

16 * **Sec. 22.** Except as provided in sec. 21 of this Act, this Act takes effect July 1, 2011.

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CS FOR SENATE BILL NO. 224(EDC)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE EDUCATION COMMITTEE

**Offered:
Referred:**

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

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing the Alaska student achievement scholarship program and relating**
2 **to the program; establishing the Alaska student achievement scholarship fund and**
3 **relating to the fund; relating to student records; making conforming amendments; and**
4 **providing for an effective date."**

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

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

7 **Sec. 14.03.113. District determination of scholarship eligibility.** A school
8 district shall determine whether a student who graduates from a high school in the
9 district is eligible for an award of a merit-based Alaska student achievement
10 scholarship under AS 14.43.810 - 14.43.890. If a student is eligible, the district shall
11 state in the student's permanent record the highest level of funding for which the
12 student is eligible. A district shall provide a student with an opportunity to request that
13 the district correct an error in the eligibility determination.

14 *** Sec. 2.** AS 14.07.020(a) is amended to read:

- 1 (a) The department shall
- 2 (1) exercise general supervision over the public schools of the state
- 3 except the University of Alaska;
- 4 (2) study the conditions and needs of the public schools of the state,
- 5 adopt or recommend plans, administer and evaluate grants to improve school
- 6 performance awarded under AS 14.03.125, and adopt regulations for the improvement
- 7 of the public schools;
- 8 (3) provide advisory and consultative services to all public school
- 9 governing bodies and personnel;
- 10 (4) prescribe by regulation a minimum course of study for the public
- 11 schools; the regulations must provide that, if a course in American Sign Language is
- 12 given, the course shall be given credit as a course in a foreign language;
- 13 (5) establish, in coordination with the Department of Health and Social
- 14 Services, a program for the continuing education of children who are held in detention
- 15 facilities in the state during the period of detention;
- 16 (6) accredit those public schools that meet accreditation standards
- 17 prescribed by regulation by the department; these regulations shall be adopted by the
- 18 department and presented to the legislature during the first 10 days of any regular
- 19 session, and become effective 45 days after presentation or at the end of the session,
- 20 whichever is earlier, unless disapproved by a resolution concurred in by a majority of
- 21 the members of each house;
- 22 (7) prescribe by regulation, after consultation with the state fire
- 23 marshal and the state sanitarian, standards that will ensure [ASSURE] healthful and
- 24 safe conditions in the public and private schools of the state, including a requirement
- 25 of physical examinations and immunizations in pre-elementary schools; the standards
- 26 for private schools may not be more stringent than those for public schools;
- 27 (8) exercise general supervision over pre-elementary schools that
- 28 receive direct state or federal funding;
- 29 (9) exercise general supervision over elementary and secondary
- 30 correspondence study programs offered by municipal school districts or regional
- 31 educational attendance areas; the department may also offer and make available to any

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Alaskan through a centralized office a correspondence study program;

(10) accredit private schools that request accreditation and that meet accreditation standards prescribed by regulation by the department; nothing in this paragraph authorizes the department to require religious or other private schools to be licensed;

(11) review plans for construction of new public elementary and secondary schools and for additions to and major rehabilitation of existing public elementary and secondary schools and, in accordance with regulations adopted by the department, determine and approve the extent of eligibility for state aid of a school construction or major maintenance project; for the purposes of this paragraph, "plans" include educational specifications, schematic designs, and final contract documents;

(12) provide educational opportunities in the areas of vocational education and training, and basic education to individuals over 16 years of age who are no longer attending school;

(13) administer the grants awarded under AS 14.11;

(14) establish, in coordination with the Department of Public Safety, a school bus driver training course;

(15) require the reporting of information relating to school disciplinary and safety programs under AS 14.33.120 and of incidents of disruptive or violent behavior;

(16) establish by regulation criteria, based on low student performance, under which the department may intervene in a school district to improve instructional practices, as described in AS 14.07.030(14) or (15); the regulations must include

(A) a notice provision that alerts the district to the deficiencies and the instructional practice changes proposed by the department;

(B) an end date for departmental intervention, as described in AS 14.07.030(14)(A) and (B) and (15), after the district demonstrates three consecutive years of improvement consisting of not less than two percent increases in student proficiency on standards-based assessments in math, reading, and writing as provided in AS 14.03.123(f)(2)(A); and

(C) a process for districts to petition the department for

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continuing or discontinuing the department's intervention;

(17) notify the legislative committees having jurisdiction over education before intervening in a school district under AS 14.07.030(14) or redirecting public school funding under AS 14.07.030(15);

(18) administer duties assigned to the department under the Alaska student achievement scholarship program established in AS 14.43.810 - 14.43.890.

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

(e) The commission may

(1) adopt regulations under AS 44.62 (Administrative Procedure Act)

to

(A) carry out the purposes of

(i) AS 14.43.091 - 14.43.890 [AS 14.43.091 - 14.43.750], 14.43.990, AS 14.44, and AS 14.48; and

(ii) AS 14.43.910 and 14.43.920 as they relate to the purposes of AS 14.43.091 - 14.43.890 [AS 14.43.091 - 14.43.750], 14.43.990, AS 14.44, and AS 14.48;

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

(C) establish standards for the

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

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

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

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

(4) contract with or use existing institutions of postsecondary education or other individuals or organizations to make studies, conduct surveys, submit recommendations, or otherwise contribute to the work of the commission;

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

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

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

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

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

Article 11A. Alaska Student Achievement Scholarship Program.

Sec. 14.43.810. Alaska student achievement scholarship program established; residency. (a) The Alaska student achievement scholarship program is established to provide scholarships for high school graduates who are Alaska residents to attend a qualified postsecondary institution in the state.

(b) The department shall design the programmatic standards for the scholarships and appeals of adverse decisions. The commission shall administer the daily operations of the program and financing of the program, including the procedures for applying for the scholarships, establishing standards for and ensuring continuing compliance with programmatic standards, and requiring students to apply for other non loan financial aid, consistent with federal law. The respective agencies shall adopt necessary regulations under AS 44.62 after consultation with each other. The department may change the regulations under AS 44.62 relating to the programmatic standards for required academic achievement for eligibility only by giving advance public notice at least one school year before the effective date of the

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change.

(c) For purposes of the program, a student is an Alaska resident if the student meets the requirements for establishing residency under AS 01.10.055.

Sec. 14.43.815. Qualifications of applicants. (a) A student may apply for an Alaska student achievement scholarship to attend a qualified postsecondary institution in the state if the student

- (1) has applied or intends to apply for admission to the institution;
- (2) is an Alaska resident who has

(A) graduated, or will graduate not later than six months after the date of the application, from a high school in the state, including a public school, private school, or home school;

(B) graduated, or will graduate not later than six months after the date of the application, from a high school outside of the state under circumstances allowed by the department; for purposes of this subparagraph, allowable circumstances include a circumstance in which a high school student who is an Alaska resident left the state because of the military service of the student's custodial parent who is an Alaska resident;

(3) will receive and use the scholarship at a qualified postsecondary institution in the state not later than six years after the beginning of the first school year after a student's graduation from high school, unless the student qualifies for an extension of time allowed by the department; for purposes of this paragraph, standards for extension of time must include time while the student is in military service;

(4) maintains a minimum grade-point average while attending the postsecondary institution; and

(5) meets other minimum qualifications to apply or continue to be eligible for an Alaska student achievement scholarship.

(b) A student is not qualified to receive an Alaska student achievement scholarship if the student

(1) has not complied with the military selective service registration requirements imposed under 50 U.S.C. App. 453 (Military Selective Service Act), if those requirements apply to the student;

1 (2) is currently in default or owes a refund on a federal financial aid
2 loan under the federal guaranteed student loan program or financial aid awarded under
3 this chapter; or

4 (3) has been convicted of a felony in the state or another jurisdiction
5 and has not qualified for a waiver under standards adopted by the department.

6 (c) The commission shall adopt regulations to include an application
7 procedure for the award of a scholarship or for the resumption of a scholarship award
8 for an eligible applicant who has either withdrawn from or delayed enrollment in a
9 qualified postsecondary institution in the state and who has been admitted to a
10 qualified postsecondary institution, regardless of age.

11 **Sec. 14.43.820. Eligibility for an academic scholarship.** (a) Subject to
12 appropriation, the commission shall award a merit-based academic scholarship to an
13 applicant who meets the eligibility criteria for the award under the program.

14 (b) The programmatic standards for eligibility for an award of a merit-based
15 academic scholarship under the program include the following:

16 (1) the four-year core academic curriculum, which may include virtual
17 curriculum, that the student must have completed in high school; the core academic
18 curriculum must include one of the following:

19 (A) a combination of]

20 (i) four years of mathematics;

21 (ii) four years of language arts;

22 (iii) four years of science; and

23 (iv) four years of social studies, one year of which may
24 include a foreign language or an Alaska Native language; or

25 (B) a combination of]

26 (i) three years of mathematics;

27 (ii) four years of language arts;

28 (iii) three years of science;

29 (iv) four years of social studies; and

30 (v) two years of a foreign language or an Alaska Native
31 language;

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(2) the minimum grade average that the student must have achieved in high school to be eligible for each of the three award levels of merit-based academic scholarship under AS 14.43.827; for the first award level, a student must have an A average; for the second award level, a student must have a B average; and for the third award level a student must have a C plus average; the grade-point average for an A average is 3.5 or higher, for a B average, less than 3.5 but not less than 3.0, and for a C plus average, less than 3.0 but not less than 2.5; the department shall set by regulation minimum requirements based on a substantially similar standard for districts that do not assign grades;

(3) the minimum score on a college entrance examination that the student must have achieved to be eligible for each of the three award levels of merit-based academic scholarship award under AS 14.43.827;

(4) a process by which a student who meets the grade standards in (2) of this subsection for a particular award level, but does not meet the minimum scores established under (3) of this subsection for that award level, may apply for a lower level scholarship;

(5) enrollment in a course of study at a qualified postsecondary institution as described in AS 14.43.835 that is intended to result in the award of a certificate or degree;

(6) a process through which a student who is no longer eligible can regain eligibility;

(7) a process through which a home-schooled or private-schooled student may submit evidence to the qualified postsecondary institution that establishes the equivalent of the high school diploma, grade-point average, and core academic curriculum for public school students.

Sec. 14.43.825. Eligibility for a career and technical school scholarship. (a) Subject to appropriation, the commission shall award a merit-based career and technical school scholarship to an applicant who meets the eligibility criteria for the award under the program.

(b) The programmatic standards for eligibility for an award of a merit-based career and technical school scholarship under the program include the following:

1 (1) the core academic curriculum, which may include virtual
2 curriculum, that the student must have completed in high school; the core academic
3 curriculum must include

4 (A) a combination of

5 (i) four years of mathematics;

6 (ii) four years of language arts;

7 (iii) four years of science; and

8 (iv) four years of social studies, one year of which may
9 include a foreign language or an Alaska Native language; or

10 (B) a combination of

11 (i) three years of mathematics;

12 (ii) four years of language arts;

13 (iii) three years of science;

14 (iv) four years of social studies; and

15 (v) two years of a foreign language or an Alaska Native
16 language;

17 (2) the minimum grade average that the student must have achieved in
18 high school; the minimum is C plus average; the C plus average requirement is a
19 grade-point average of 2.5 or higher; the department shall set by regulation minimum
20 requirements based on a substantially similar standard for districts that do not assign
21 grades;

22 (3) the minimum score that the student must have achieved on a

23 (A) college entrance examination; or

24 (B) standardized examination designed to measure a student's
25 level of preparedness to make the transition to work, as selected by the
26 department;

27 (4) enrollment in good standing at a certified career and technical
28 school that is intended to result in the award of a certificate that indicates the student's
29 preparedness to enter the workforce;

30 (5) a process through which a student who is no longer eligible can
31 regain eligibility.

1 **Sec. 14.43.827. Maximum awards and allowable uses.** (a) Subject to (b) - (e)
2 of this section and the programmatic standards established under AS 14.43.820(b), the
3 maximum awards and allowable uses for the merit-based programs are as follows:

4 (1) for the merit-based academic scholarship, the following three levels
5 of scholarship financing award for a semester:

6 (A) the first award level is an amount that is equal to the cost of
7 approved tuition at the University of Alaska in school year 2010 - 2011 and
8 requires an A grade average and a very high minimum score on a college
9 entrance examination;

10 (B) the second award level is an amount that is equal to 75
11 percent of the first award level and requires a B grade average and a high
12 minimum score on a college entrance examination;

13 (C) the third award level is an amount that is equal to 50
14 percent of the first award level and requires a C plus grade average and a
15 moderately high minimum score on a college entrance examination;

16 (2) for the merit-based career and technical scholarship, the award
17 must be the actual cost of the qualified career and technical school attended by the
18 student, not to exceed \$3,000 a school year;

19 (3) subject to (e) of this section, a student who qualifies for a merit-
20 based academic scholarship may apply the award to the costs of attending a qualified
21 career and technical school program as described in AS 14.43.835(a)(2).

22 (b) A part-time student who receives a merit-based academic scholarship and
23 is enrolled on at least a half-time basis is eligible for an award of 50 percent of the
24 amount of scholarship award for which the student is eligible under (a) of this section.

25 (c) A student's eligibility for a scholarship terminates six years after the date
26 the student graduated from high school unless the student qualifies for an extension of
27 time allowed by the department.

28 (d) Subject to AS 14.43.815(a)(3), a student receiving a merit-based academic
29 scholarship may remain eligible for up to eight semesters of enrollment at a qualified
30 university or college, which may include graduate courses, or for up to two calendar
31 years of attendance at a qualified career or technical school. A student receiving a

1 merit-based career and technical scholarship may remain eligible for two calendar
2 years of attendance at a qualified career and technical school. A student may not
3 receive both an academic and a career and technical scholarship.

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

8 **Sec. 14.43.828. Eligibility for a needs-based achievement scholarship;**
9 **maximum award.** (a) Subject to appropriation, the commission shall award a needs-
10 based achievement scholarship to a student who meets the eligibility criteria for the
11 award.

12 (b) A student is eligible to receive a needs-based achievement scholarship if
13 the student

14 (1) is eligible for a merit-based achievement scholarship under
15 AS 14.43.810 - 14.43.890; and

16 (2) can demonstrate, in a year in which the student receives a
17 scholarship, that the student has unmet financial need greater than \$2,000.

18 (c) The maximum amount for a needs-based achievement scholarship for a
19 student who is enrolled

20 (1) not less than ~~half~~time, is 50 percent of the unmet financial need
21 that exceeds \$2,000; and

22 (2) less than half time, is 25 percent of the unmet financial need that
23 exceeds \$2,000.

24 (d) The qualified postsecondary institution attended by the student shall
25 determine unmet financial need by subtracting from the student's allowable standard
26 costs of attendance at the institution all non loan sources of financial support,
27 including an expected family contribution and all federal, state, and private
28 scholarships or grants received by the student.

29 (e) In this section,

30 (1) "allowable standard costs of attendance" means, for a student who
31 receives a merit-based achievement scholarship, the costs of attendance at the

1 qualified postsecondary institution that the student attends or plans to attend, as
2 determined by the commission based on room and board costs that do not exceed the
3 standard room and board costs at the University of Alaska as determined by the
4 commission;

5 (2) "expected family contribution" means the amount a student or the
6 student's family is expected to pay toward the student's cost of attendance, as
7 determined by use of the most recent federal Free Application for Federal Student Aid.

8 **Sec. 14.43.830. Programmatic standards.** (a) Subject to (b) of this section,
9 the department shall establish programmatic standards for the program.

10 (b) The department shall establish a make-up procedure or alternative pathway
11 to allow students who are not eligible for a scholarship to make up a deficit by
12 alternative means if the deficit was caused by circumstances beyond the student's
13 control. The department may not waive a requirement and shall require the student to
14 achieve a result comparable to that required of other students. The decision of the
15 department regarding a student's eligibility for alternative means is final. In
16 determining circumstances in which the student may pursue alternative means, the
17 department shall consider the effect on students who have met the requirements.
18 Attendance at a high school outside of the state is not a circumstance in which a
19 student may be allowed to pursue alternative means to qualify for a scholarship.
20 Circumstances in which the department may allow a student to pursue alternative
21 means to qualify for a scholarship include the following:

22 (1) the required curriculum was not reasonably available to the student
23 because the student attended a small and remote high school in the state;

24 (2) the deficit was caused by rare and unusual circumstances outside
25 the control of the student.

26 **Sec. 14.43.835. Qualified postsecondary institutions.** (a) The following
27 institutions are qualified postsecondary institutions:

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

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

31 (B) accredited by a regional accreditation association;

1 (2) a career and technical school program physically located in the
2 state that has been included on a list of certified career and technical school programs
3 received from the Department of Labor and Workforce Development; the commission
4 shall publish the list on or before September 1 of the year preceding enrollment.

5 (b) The Department of Labor and Workforce Development shall, in
6 consultation with the Department of Education and Early Development, adopt
7 regulations under AS 44.62 establishing criteria under which the Department of Labor
8 and Workforce Development shall certify career and technical school programs in the
9 state as eligible to participate in the Alaska student achievement scholarship program.
10 The criteria to be considered under this subsection include the following:

11 (1) the quality of the job-training program offered by the career and
12 technical school;

13 (2) the employability of a graduate of the program, including whether
14 the program results in a certificate or license that is recognized by the industry for
15 which the training prepares the student;

16 (3) whether jobs in the industry for which the training prepares the
17 student are available or expected to be available in the future in the state;

18 (4) other criteria established by the Department of Labor and
19 Workforce Development in regulation.

20 (c) A postsecondary institution is physically located in the state if the campus,
21 teachers, classrooms, school administrators, and equipment used to provide the
22 education to the students are physically present in the state. Use of virtual, electronic,
23 or online materials by teachers in the state does not disqualify a postsecondary
24 institution even if the materials are generated outside the state. However, a
25 correspondence, virtual, electronic, or online program that is administered from
26 outside the state is not physically located in the state even if the program is delivered
27 by teachers or equipment in the state.

28 **Sec. 14.43.840. Application and award.** (a) The commission shall establish
29 application procedures for students to apply for an Alaska student achievement
30 scholarship.

31 (b) The commission shall adopt procedures for payment of scholarship awards

1 to the institution attended by the scholarship recipient. Payment of a scholarship is
2 subject to appropriation. If insufficient funds are appropriated to pay all eligible
3 scholarships, the commission shall pay existing awards on a pro rata basis.

4 (c) A student who is awarded a scholarship in error shall be required to refund
5 to the state the amount of the scholarship awarded in error.

6 **Sec. 14.43.845. Alaska student achievement scholarship fund income**
7 **account.** The Alaska student achievement scholarship fund income account is created
8 as an account in the general fund. Money may be appropriated into the account from
9 the expendable earnings of the Alaska student achievement scholarship fund under
10 AS 37.14.750 - 37.14.790 and other sources. The commission may use money in the
11 account to pay scholarships awarded to students under AS 14.43.810 - 14.43.890.

12 **Sec. 14.43.850. Report to the legislature.** (a) To the extent permitted under
13 law, the department, the commission, the University of Alaska, the Department of
14 Revenue, and the Department of Labor and Workforce Development shall share data
15 necessary to prepare public reports regarding the program.

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

21 (1) the number of applicants and number and types of scholarships
22 awarded;

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

25 (3) data and trends in the data regarding high school and postsecondary
26 student performance, programmatic changes, and graduation rates over time.

27 **Sec. 14.43.890. Definitions.** In AS 14.43.810 - 14.43.890, unless the context
28 requires otherwise,

29 (1) "commission" means the Alaska Commission on Postsecondary
30 Education;

31 (2) "department" means the Department of Education and Early

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Development;

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

(4) "military service" means active duty in the armed forces of the United States;

(5) "program" means the Alaska student achievement scholarship program established under AS 14.43.810 - 14.43.890;

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

* Sec. 5. AS 14.45.130(a) is amended to read:

(a) A religious or other private school that elects to comply with AS 14.45.100 - 14.45.130 shall maintain permanent student records reflecting immunizations, physical examinations, standardized testing, academic achievement, [AND] courses taken at the school, and level of eligibility for an Alaska student achievement scholarship under AS 14.43.810 - 14.43.890.

* Sec. 6. AS 23.05.060 is amended to read:

Sec. 23.05.060. Powers of the department. The department may

(1) enforce all state labor laws;

(2) act as mediator and appoint deputy commissioners of conciliation in labor disputes whenever it considers the interest of industrial peace requires it;

(3) make investigations and collect and compile statistical information concerning the conditions of labor generally and upon all matters relating to the enforcement of this chapter;

(4) institute court proceedings against an employer of labor without cost to the employee when it is satisfied that the employer has failed to pay an employee an amount due by contract;

(5) issue cease and desist orders and other orders and regulations necessary for the enforcement of state labor laws;

(6) in accordance with AS 37.07 (the Executive Budget Act), receive and spend money derived from agreements with local governments, nongovernmental

1 organizations, or other persons;

2 (7) administer duties assigned to the department under the Alaska
3 student achievement scholarship program established in AS 14.43.810 -
4 14.43.890.

5 * Sec. 7. AS 36.30.850(b) is amended to read:

6 (b) This chapter applies to every expenditure of state money by the state,
7 acting through an agency, under a contract, except that this chapter does not apply to

8 (1) grants;

9 (2) contracts for professional witnesses to provide for professional
10 services or testimony relating to existing or probable lawsuits in which the state is or
11 may become a party;

12 (3) contracts of the University of Alaska where the work is to be
13 performed substantially by students enrolled in the university;

14 (4) contracts for medical doctors and dentists;

15 (5) acquisitions or disposals of real property or interest in real
16 property, except as provided in AS 36.30.080 and 36.30.085;

17 (6) disposals under AS 38.05;

18 (7) contracts for the preparation and transportation of ballots under
19 AS 15;

20 (8) acquisitions or disposals of property and other contracts relating to
21 airports under AS 02.15.070, 02.15.090, 02.15.091, and AS 44.88;

22 (9) disposals of obsolete property under AS 19.05.060;

23 (10) disposals of obsolete material or equipment under AS 35.20.060;

24 (11) agreements with providers of services under AS 47.25.071 -
25 47.25.095; AS 47.07; AS 47.08; AS 47.10; AS 47.12; AS 47.14; AS 47.17; AS 47.24;
26 and AS 47.27, including contractors under AS 47.27.050;

27 (12) contracts of the Department of Fish and Game for flights that
28 involve specialized flying and piloting skills and are not point-to-point;

29 (13) purchases of income-producing assets for the state treasury or a
30 public corporation of the state;

31 (14) [REPEALED]

1 (15)] a contract that is a delegation, in whole or in part, of investment
2 powers held by

3 (A) the commissioner of revenue under AS 14.42.200,
4 14.42.210, AS 18.56.095, AS 37.10.070, 37.10.071, or AS 37.14;

5 (B) the Board of Regents of the University of Alaska under
6 AS 14.40.250 - 14.40.491;

7 (15) [(16)] a contract that is a delegation, in whole or in part, of
8 investment powers or fiduciary duties of

9 (A) the Board of Trustees of the Alaska Permanent Fund
10 Corporation under AS 37.13;

11 (B) the Alaska Mental Health Trust Authority under
12 AS 37.14.001 - 37.14.099;

13 (16) [(17)] the purchase of books, book binding services, newspapers,
14 periodicals, audio-visual materials, network information services access, approval
15 plans, professional memberships, archival materials, objects of art, and items for
16 museum or archival acquisition having cultural, historical, or archaeological
17 significance; in this paragraph

18 (A) "approval plans" means book selection services in which
19 current book titles meeting an agency's customized specifications are provided
20 to the agency subject to the right of the agency to return those books that do
21 not meet with the agency's approval;

22 (B) "archival materials" means the noncurrent records of an
23 agency that are preserved after appraisal because of their value;

24 (C) "audio-visual materials" means nonbook prerecorded
25 materials, including records, tapes, slides, transparencies, films, filmstrips,
26 cassettes, videos, compact discs, laser discs, and items that require the use of
27 equipment to render them usable;

28 (D) "network information services" means a group of resources
29 from which cataloging information, holdings records, inter-library loans,
30 acquisitions information, and other reference resources can be obtained;

31 (17) [(18)] contracts for the purchase of standardized examinations for

1 licensure under AS 08;

2 (18) [(19)] contracts for home health care provided under regulations
3 adopted by the Department of Health and Social Services and for adult residential care
4 services provided under regulations adopted by the Department of Health and Social
5 Services or by the Department of Administration;

6 (19) [(20)] contracts for supplies or services for research projects
7 funded by money received from the federal government or private grants;

8 (20) [(21)] guest speakers or performers for an educational or cultural
9 activity;

10 (21) [(22)] contracts of the Alaska Industrial Development and Export
11 Authority for a clean coal technology demonstration project that

12 (A) is attempting to develop a coal-fired electric generation
13 project;

14 (B) uses technology that is capable of commercialization
15 during the 1990's; and

16 (C) qualifies for federal financial participation under P.L. 99-
17 190 as amended;

18 (22) [(23)] operation and protection of assets or disposals of equipment
19 and supplies acquired through foreclosure or other legal proceedings relating to loans
20 issued under AS 03.10;

21 (23) [(24)] purchases of curatorial and conservation services to
22 maintain, preserve, and interpret

23 (A) objects of art; and

24 (B) items having cultural, historical, or archaeological
25 significance to the state;

26 (24) [(25)] acquisition of confidential seismic survey data necessary
27 for pre-sale oil and gas lease or gas only lease analyses under AS 38.05.180;

28 (25) [(26)] contracts for village public safety officers;

29 (26) [(27)] purchases of supplies and services to support the operations
30 of the Alaska state troopers or law enforcement officers engaged in fish and wildlife
31 protection if the procurement officer for the Department of Public Safety makes a

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written determination that publicity of the purchases would jeopardize the safety of personnel or the success of a covert operation;

(27) [(28)] expenditures when rates are set by law or ordinance;

(28) [(29)] construction of new vessels by the Department of Transportation and Public Facilities for the Alaska marine highway system;

(29) [(30)] contracts entered into with a regional development organization; in this paragraph, "regional development organization" has the meaning given in AS 44.33.895;

(30) [(31)] contracts that are to be performed in an area outside of the country and that require a knowledge of the customs, procedures, rules, or laws of the area;

(31) [(32)] contracts that are between the Department of Law and attorneys who are not employed by the state and that are for the review or prosecution of possible violations of the criminal law of the state in situations where the attorney general concludes that an actual or potential conflict of interest makes it inappropriate for the Department of Law to review or prosecute the possible violations;

(32) [(33)] contracts between the Department of Natural Resources and contractors qualified to evaluate hydrocarbon development, production, transportation, and economics, to assist the commissioner of natural resources in evaluating applications for royalty increases or decreases or other royalty adjustments, and evaluating the related financial and technical data, entered into under AS 38.05.180(j);

(33) [(34)] contracts of the Alaska Industrial Development and Export Authority made with the developer of an integrated transportation and port facility owned by the authority;

(34) [(35)] procurements of contracts with the media for advertising;

(35) [(36)] [REPEALED

(37)] contracts between the state medical examiner and a provider of medical services to perform or assist in performing the duties assigned to the state medical examiner in AS 12.65.020;

(36) [(38)] contracts between the commissioner of revenue and an independent contractor under AS 43.82.240;

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(37) [(39)] contracts for a convener under AS 44.62.730 or for a facilitator under AS 44.62.760 related to a negotiated regulation making process under AS 44.62.710 - 44.62.800;

(38) [(40)] REPEALED

(41)] a tourism marketing contract awarded under AS 44.33.125;

(39) [(42)] grants and contracts with qualified entities for services under AS 47.18.330 for the foster care transition program;

(40) [(43)] contracts for travel services, including airplane travel, hotel accommodations, and travel agency services, but excluding motor vehicle rentals;

(41) [(44)] contracts of the Alaska Commission on Postsecondary Education or the Alaska Student Loan Corporation for the guarantee and disbursing of financial aid money to institutions of postsecondary education under the financial aid programs under AS 14.43.091 - 14.43.750 and AS 14.44.025;

(42) contracts of the Alaska Commission on Postsecondary Education for the servicing and disbursing of financial aid money to institutions of postsecondary education under the financial aid programs under AS 14.43.810 - 14.43.890;

(43) [(45)] contracts for an arbitration panel to determine whether a project is uneconomic under AS 43.90.240, and contracts for the development of application provisions for licensure and for the evaluation of those applications under AS 43.90;

(44) [(46)] contracts for delivery of home heating assistance under AS 47.25.626;

(45) [(47)] contracts of the Alaska Pension Obligation Bond Corporation under AS 37.16.010 - 37.16.900.

* **Sec. 8.** AS 37.14 is amended by adding new sections to read:

Article 8A. Alaska Student Achievement Scholarship Fund.

Sec. 37.14.750. Alaska student achievement scholarship fund established.

(a) The Alaska student achievement scholarship fund is established as a fund of the state. The fund consists of

- (1) appropriations to the fund;

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- (2) donations to the fund; and
- (3) income earned on investments of fund assets.

(b) The commissioner of revenue shall manage the fund with the goal that the purchasing power of the fund will not diminish over time without regard to additional contributions that may be made to the fund. The commissioner shall invest the assets of the fund in a manner likely to yield at least a five percent real rate of return over time.

(c) Nothing in this section creates a dedicated fund.

Sec. 37.14.755. Powers and duties of the commissioner of revenue. In carrying out the investment duties under AS 37.14.750 - 37.14.790, the commissioner of revenue has the powers and duties set out in AS 37.10.071. The commissioner shall provide reports to the Department of Education and Early Development, the Department of Labor and Workforce Development, and the Alaska Commission on Postsecondary Education on the condition and investment performance of the fund.

Sec. 37.14.760. Use of fund. As soon as practicable after July 1 of each year, the commissioner of revenue shall determine the average month-end market value of the fund for the immediately preceding three fiscal years. The commissioner shall identify five percent of that amount as available for appropriation by the legislature for appropriation to the Alaska student achievement scholarship fund income account created under AS 14.43.845 from which the Alaska Commission on Postsecondary Education may award scholarships under AS 14.43.810 - 14.43.890. The commissioner shall also report as available for appropriation a running total of amounts previously identified as available for appropriation to the Alaska student achievement scholarship fund income account but not appropriated.

Sec. 37.14.790. Definitions. In AS 37.14.750 - 37.14.790, unless the context requires otherwise,

- (1) "commissioner" means the commissioner of revenue;
- (2) "fund" means the Alaska student achievement scholarship fund established in AS 37.14.750(a).

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

1 TRANSITION: PROGRAM STANDARDS AND IMPLEMENTATION FOR
2 INITIAL SCHOOL YEARS. Notwithstanding any contrary provision of this Act, the
3 Department of Education and Early Development and the Department of Labor and
4 Workforce Development, after consultation with the Alaska Commission on Postsecondary
5 Education, may adopt regulations under AS 44.62 to implement their respective duties under
6 the Alaska student achievement scholarship program established in AS 14.43.810, enacted by
7 sec. 4 of this Act, so that a student

8 (1) may be eligible for the program even though the student did not fully meet
9 the required core academic curriculum for the school years beginning July 1, 2009, through
10 June 30, 2013; and

11 (2) who graduated from high school in this state after January 1, 2010, and
12 before July 1, 2011, and meets eligibility requirements for the program may apply for a
13 scholarship beginning July 1, 2011.

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

16 TRANSITION: REGULATIONS. The Department of Education and Early
17 Development, the Department of Labor and Workforce Development, and the Alaska
18 Commission on Postsecondary Education may proceed to adopt regulations necessary to
19 implement changes made to their respective authorities by this Act. The regulations take
20 effect under AS 44.62 (Administrative Procedure Act), but not before September 1, 2010.

21 * **Sec. 11.** Section 10 of this Act takes effect immediately under AS 01.10.070(c).

22 * **Sec. 12.** Except as provided in sec. 11 of this Act, this Act takes effect September 1, 2010.

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CS FOR SENATE BILL NO. 224(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

**Offered:
Referred:**

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

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 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 14.43.410 is amended by adding a new subsection to read:

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

19 * Sec. 4. AS 14.43.420(a) is amended to read:

20 (a) A grant made under AS 14.43.400 - 14.43.420 may not be in an amount
21 less than \$1,000 [\$500] nor more than \$3,000 [\$2,000] for each school year.

22 * Sec. 5. AS 14.43.420(c) is amended to read:

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

25 * Sec. 6. AS 14.43 is amended by adding new sections to read:

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

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

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

31 (b) The department shall, in consultation with the commission, adopt

1 regulations necessary to implement the program. The commission shall administer the
 2 daily operations of the program and financing of the program, including the
 3 procedures for applying for the scholarships, establishing standards for and ensuring
 4 continuing compliance with programmatic standards, and requiring students to apply
 5 for other non loan financial aid, consistent with federal law.

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

9 (1) is a resident of the state as defined in AS 01.10.055;

10 (2) graduated or will graduate within six months from a high school in
 11 the state;

12 (3) has completed a core academic curriculum in high school that
 13 includes

14 (A) four years of mathematics, four years of language arts, four
 15 years of science, and four years of social studies, one year of which may
 16 include a foreign language, an Alaska Native language, fine arts, or cultural
 17 heritage; or

18 (B) three years of mathematics, four years of language arts,
 19 three years of science, four years of social studies, and two years of a foreign
 20 language or an Alaska Native language;

21 (4) has a minimum grade-point average in high school of 2.5 or higher;
 22 the department shall set by regulation minimum requirements based on a substantially
 23 similar standard for districts that do not assign grades;

24 (5) has achieved a minimum score on a

25 (A) college entrance examination; or

26 (B) standardized examination designed to measure a student's
 27 level of preparedness to make the transition to work, as selected by the
 28 department; and

29 (6) is enrolled in good standing in a course of study at a qualified
 30 postsecondary institution in this state that is intended to result in the award of a
 31 certificate or degree.

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

3 **Sec. 14.43.825. Maximum annual awards.** (a) The commission shall
4 establish in regulation the maximum annual awards under the Alaska merit scholarship
5 program after considering recommendations of the Joint Legislative Higher Education
6 Scholarship Task Force.

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

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

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

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

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

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

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

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

31 (B) accredited by a regional accreditation association;

1 (2) a career and technical school program physically located in the
2 state that has been included on a list of certified career and technical school programs
3 received from the Department of Labor and Workforce Development; the commission
4 shall publish the list on or before June 30 of the year preceding enrollment.

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

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

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

20 (1) the number of applicants and number and types of scholarships
21 awarded;

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

24 (3) data and trends in the data regarding high school and postsecondary
25 student performance, programmatic changes, and retention and graduation rates over
26 time.

27 **Sec. 14.43.850. Definitions.** In AS 14.43.810 - 14.43.850, unless the context
28 requires otherwise,

29 (1) "department" means the Department of Education and Early
30 Development;

31 (2) "grade-point average" means the average of all grades on a four-

1 point scale, or five-point scale for advanced placement classes, obtained by the student
2 in high school;

3 (3) "high school" means a public or accredited secondary school in the
4 state and a home school program that is approved by the department;

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

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

9 * Sec. 7. AS 14.44.025 is amended by adding a new subsection to read:

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

14 (1) dentistry;

15 (2) optometry; and

16 (3) pharmacy.

17 * Sec. 8. AS 14.45.130(a) is amended to read:

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

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

25 TRANSITION: PROGRAM STANDARDS AND IMPLEMENTATION FOR
26 INITIAL SCHOOL YEARS. Notwithstanding any contrary provision of this Act, the
27 Department of Education and Early Development and the Department of Labor and
28 Workforce Development, after consultation with the Alaska Commission on Postsecondary
29 Education, may adopt regulations under AS 44.62 (Administrative Procedure Act) to
30 implement their respective duties under the Alaska merit scholarship program established in
31 AS 14.43.810, enacted by sec. 6 of this Act, so that a student

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

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

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

10 **TRANSITION: REGULATIONS.** The Department of Education and Early
11 Development, the Department of Labor and Workforce Development, and the Alaska
12 Commission on Postsecondary Education may proceed to adopt regulations necessary to
13 implement changes made to their respective authorities by secs. 1, 2, 6, 8, and 9 of this Act.
14 The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before
15 July 1, 2011, except that regulations pertaining to applications for scholarships may take
16 effect on or after January 1, 2011.

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

19 **JOINT LEGISLATIVE HIGHER EDUCATION SCHOLARSHIP TASK FORCE.** (a)
20 The legislature finds that

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

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

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

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

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

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

3 (7) establishing a state scholarship program to improve access to student
4 financial aid requires a more thorough examination by the legislature.

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

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

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

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

14 (3) recommending to the Twenty-Seventh Alaska State Legislature

15 (A) improvements or additions to the laws pertaining to student
16 preparedness for and completion of postsecondary study;

17 (B) an appropriate scholarship award program that includes an award
18 level, or tiered award levels, that corresponds to the amount of financial assistance at
19 qualified postsecondary institutions in the state and the demonstrated student
20 achievement in high school in the state;

21 (C) improvements or additions to the laws providing for financial aid at
22 postsecondary institutions; and

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

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

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

26 (2) five members of the house of representatives appointed by the speaker of
27 the house of representatives; and

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

29 (A) the commissioner of education and early development or the
30 commissioner's designee;

31 (B) the president of the University of Alaska or the president's

1 designee;

2 (C) the director of the office of management and budget or the
3 director's designee;

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

5 (E) the executive director of the Alaska Commission on Postsecondary
6 Education.

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

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

10 (g) The task force shall submit a report of its findings and proposed legislative
11 changes to the governor, the Alaska Commission on Postsecondary Education, the
12 Department of Educational and Early Development, and the legislature by December 1, 2010,
13 and may make any additional reports it considers advisable.

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

16 * **Sec. 12.** The uncodified law of the State of Alaska is amended by adding a new section to
17 read:

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

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

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

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

28 (3) the commissioner of education and early development or the
29 commissioner's designee;

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

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

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

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

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

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

10 (10) the president of the National Education Association of Alaska or the
11 president's designee;

12 (11) the president of the Alaska Federation of Natives or the president's
13 designee;

14 (12) two members of the house of representatives, appointed by the speaker of
15 the house, one of whom shall be appointed co-chair;

16 (13) two members of the senate, appointed by the president of the senate, one
17 of whom shall be appointed co-chair;

18 (14) one member appointed by the governor who represents private colleges
19 or universities;

20 (15) one member appointed by the governor who represents public
21 postsecondary institutions and who is not affiliated with the University of Alaska;

22 (16) three members appointed by the governor who have specialized
23 knowledge, skill, or experience in education remediation and who are employed as faculty at
24 postsecondary institutions located in separate major administrative units in the state, at least
25 one of whom resides outside of Anchorage, Fairbanks, and Juneau.

26 (c) A majority of the members of the task force constitutes a quorum. A vacancy on
27 the task force shall be filled in the same manner as the original selection or appointment.

28 (d) Members of the task force serve without compensation but are entitled to per diem
29 and travel expenses authorized for boards and commissions under AS 39.20.180, except that
30 per diem and travel expenses shall be paid from the budget of the agency or institution the
31 member represents on the task force. The agency or institution may opt out of participating to

1 avoid payment of per diem and travel expenses. The staff of the legislative members of the
2 task force shall serve as staff for the task force.

3 (e) The task force shall meet at the call of the chair not less than once every three
4 months. The co-chairs shall call the first meeting of the task force not later than 30 days after
5 the effective date of this section. The members of the task force shall elect other officers as
6 needed to conduct the business of the task force.

7 (f) The task force shall

8 (1) compile research conducted in the state and nationally on reducing
9 remediation, improving retention, and increasing college and postsecondary vocational or
10 technical program graduation rates;

11 (2) summarize data on

12 (A) types of testing used to determine college and career readiness;

13 (B) remediation rates;

14 (C) effectiveness of remediation for students entering college or
15 postsecondary vocational or technical training programs with skill deficits;

16 (D) characteristics of programs that are most effective in addressing
17 skill deficits;

18 (3) create a definition of remediation to ensure consistency in reporting of
19 remediation rates by postsecondary institutions in the state;

20 (4) identify the contributing causes of a lack of college and career readiness of
21 students who graduate from public secondary schools in the state and the course topics taken
22 in college or postsecondary vocational or technical training programs for which students
23 require remediation;

24 (5) identify best practices examples of school systems, colleges, and
25 postsecondary vocational or technical training programs that are succeeding in reducing the
26 need for remedial education;

27 (6) explore new approaches that may be effective in producing increased
28 levels of college and career readiness;

29 (7) determine the availability of broadband and Internet capabilities and the
30 effect of the use of electronic, Internet, and virtual instruction on student learning and success
31 in schools;

1 (8) determine the role various types of postsecondary institutions may play in
2 addressing the need for remediation;

3 (9) review graduation rates of colleges, universities, and postsecondary
4 vocational or technical training programs located in the state for the six years preceding the
5 effective date of this section;

6 (10) prepare for the legislature a set of written recommendations to improve
7 remediation, retention, and graduation rates at colleges, universities, and postsecondary
8 vocational or technical training programs in the state;

9 (11) review completion rates for career skill certificate programs,
10 disaggregated by program and postsecondary campus.

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

13 * **Sec. 13.** Section 12 of this Act is repealed on July 1, 2011.

14 * **Sec. 14.** Sections 4, 5, 7, and 9 - 12 of this Act take effect immediately under
15 AS 01.10.070(c).

16 * **Sec. 15.** Except as provided in sec. 14 of this Act, this Act takes effect July 1, 2011.

TOPS REPORT

BOARD of REGENTS

MAY, 2009

Appendix A – ACT 1202 of 2001

Appendix B – Student Retention/Persistence Reports (BRPRG06AYR, 2003-2007 FTF Cohort)

Appendix C – Completer Reports (CMPL6CFYR, CMPL6CTRY: 2000-2002 FTF Cohort, Bacc & ≤Assoc)

TOPS: Taylor Opportunity Program for Students

The Taylor Opportunity Program for Students (TOPS), Louisiana's comprehensive, merit-based student aid program, was initiated with the incoming freshman class of Fall 1998. Although the founding legislation does not directly document the goals of the program, four generally accepted purposes of TOPS are:

- To promote academic success by requiring completion of a rigorous high school core curriculum;
- To provide financial incentives as a reward for good academic performance;
- To keep Louisiana's best and brightest in the state to pursue postsecondary educational opportunities; and
- To promote access to and success in postsecondary education.

TOPS includes three levels of awards for students enrolling at Louisiana's colleges and universities: Opportunity, Performance, and Honors. The criteria for eligibility include completion of a defined high school core curriculum, with a minimum grade point average on the core and a minimum ACT composite score. Table 1 lists current criteria and awards.

Table 1: TOPS Eligibility Criteria & Value, 2009

| AWARD | Core | Core GPA | ACT | Award Specifics | Duration* |
|--------------------|-------------|-----------------|------------|------------------------|------------------|
| <i>Opportunity</i> | 17.5 Units | 2.50 | 20 | Tuition | 4 Years |
| <i>Performance</i> | 17.5 Units | 3.00 | 23 | Tuition + \$400/year | 4 Years |
| <i>Honors</i> | 17.5 Units | 3.00 | 27 | Tuition + \$800/year | 4 Years |

* 4 Years, or 8 semesters.

To maintain eligibility, TOPS recipients must be continuously enrolled as full-time students, earn at least 24 hours of credit each academic year (Fall and Spring), and maintain academic progress as demonstrated by the cumulative grade point average. Table 2 lists the minimum renewal requirements for each award.

Table 2: Renewal Requirements

| AWARD | Hours Earned per Academic Year (Fall & Spring) | Cumulative GPA each Academic Year (2.0 each semester/term) | Award Reinstated (Upon Recovery of Required GPA) |
|--------------------|---|---|---|
| <i>Opportunity</i> | 24 | 2.30 – first year 2.50 – subsequent years | Yes |
| <i>Performance</i> | 24 | 3.00 | Yes, as <i>Opportunity</i> |
| <i>Honors</i> | 24 | 3.00 | Yes, as <i>Opportunity</i> |

Administration of TOPS is statutorily assigned to the Louisiana Office of Student Financial Assistance (LOSFA). Initial student eligibility is determined using a combination of:

the Free Application for Federal Student Aid (FAFSA) or TOPS On-line Application; the high school transcript from the Department of Education's Student Transcript System (STS); and official ACT scores. Continuing eligibility is determined based on data received from the institution in which the student enrolls.

ACT 1202 of 2001

ACT 1202 of the 2001 Regular Legislative Session charged the Board of Regents with developing a uniform TOPS reporting system for the purposes of policy analysis and program evaluation and to provide accurate data and statistics relative to the program's impact on the state and on students. (Text is included as Appendix A.) ACT 1202 requires a TOPS report, to include:

- Relationship between the high school courses taken and the student's score on the American College Test (ACT).
- Number of high school graduates who are eligible for TOPS and subsequently enroll in college;
- Persistence rates of TOPS students;
- Retention rates of TOPS students, including numbers of and reasons for students losing award eligibility; and
- Graduation data, including rates.

To satisfy the reporting requirements of ACT 1202, Regents' staff developed interfaces between the major systems needed to identify and track TOPS students as they move through the enrollment cycle.

TOPS REPORT

The data in this report include current and historical data on TOPS and non-TOPS students to allow for comparison. It is presented in an order that follows the students' progression through the enrollment process: from preparation, to persistence, to graduation.

It should be noted that most of the data in this report do not include private institutions, because they do not currently participate in Regents' reporting systems. Nor does that data include the Louisiana Technical College (LTC) enrollment, because the LTC did not participate in Regents' reporting systems prior to 2003.

Preparation

TOPS eligibility requirements encourage students to take high school courses that will prepare them for success after high school, particularly in postsecondary education. The TOPS core curriculum is the key component for eligibility for an award. With the 2001 Master Plan, the Board of Regents adopted the TOPS core as the *Regents' Core*, the most important element of the minimum standards established for admission to the state's public four-year colleges or universities. With this change, students have had a double incentive to complete the college-preparatory curriculum, and it has had a very positive effect on student behavior.

Whether a high school graduate actually attends college with TOPS, the match of the TOPS core and the Regents' core for admission has resulted in a growing number of students completing a college preparatory curriculum, which also makes them better prepared for career advancement. As shown in Table 3, even as the number of high school graduates has decreased (as anticipated by demographic projections), the actual number and percentage of high school graduates completing the TOPS core curriculum has generally been increasing. The percentage completing the core declined with the 2008 graduating class due to increased requirements (i.e., the addition of a 4th unit in advanced math or science).

Table 3. HS Graduates and TOPS Core

| | 2003 | 2004 | 2006 | 2007 | 2008 |
|-------------------|--------|--------|--------|--------|---------------|
| HS Graduates | 45,057 | 44,350 | 40,403 | 40,763 | 41,435 |
| With TOPS Core | 25,544 | 26,105 | 26,356 | 27,122 | 25,256 |
| % with Core | 57% | 59% | 65% | 67% | 61% |
| Eligible for TOPS | 17,713 | 18,526 | 18,394 | 18,503 | Not available |

Note: Not including LTC.

TOPS Eligibility: LOSFA data

* TOPS Core changed in 2008: additional Math or Science course required

Students who complete a rigorous curriculum score significantly better on the ACT than those who do not. As a result of the growing number of students who complete the TOPS/Regents' core, the average ACT composite score in Louisiana has improved steadily. The state average ACT for the 2003 graduating class was 19.6; by 2008 the average had increased to 20.3 composite.

Participation

The majority of TOPS freshmen enroll with an Opportunity Award at a public, four-year institution. Table 4 illustrates the distribution of TOPS awards received by the 2007 entering class (freshmen) and where recipients enrolled.

Table 4. 2007 Entering TOPS Class

| TOPS AWARD | |
|-------------------|-----|
| Honors Award | 13% |
| Performance Award | 18% |
| Opportunity Award | 69% |
| INSTITUTION TYPE | |
| Public 2-year | 5% |
| Public 4-year | 95% |

For the past three years, over half of the Louisiana residents in the entering fall cohorts of first time, full-time freshmen (FTF) at public postsecondary institutions began college with a TOPS award. The FTF cohort includes students enrolled in postsecondary education for the first time, regardless of age or date of high school graduation.

Table 5. Entering FTF Cohorts

| Entering Fall | FTF Cohort | Number from Louisiana | % | Number with TOPS | % (from LA w/ TOPS) |
|---------------|------------|-----------------------|-----|------------------|---------------------|
| 1998 | 27,202 | 25,074 | 92% | 10,610 | 42% |
| 1999 | 25,681 | 23,804 | 93% | 10,376 | 44% |
| 2000 | 26,495 | 24,384 | 92% | 11,137 | 46% |
| 2001 | 26,758 | 24,398 | 91% | 11,607 | 48% |
| 2002 | 27,307 | 24,972 | 91% | 11,913 | 48% |
| 2003 | 29,828 | 26,685 | 89% | 12,270 | 46% |
| 2004 | 30,195 | 26,978 | 89% | 12,630 | 47% |
| 2005 | 24,354 | 21,567 | 89% | 11,669 | 54% |
| 2006 | 26,569 | 24,194 | 91% | 12,731 | 53% |
| 2007 | 27,050 | 24,338 | 90% | 12,372 | 51% |

Note: FTF not including LTC.

As shown in Table 5, from 1998 to 2007, the number of first-time freshmen enrolling with TOPS has increased by 17% (1,762 students). In that same time frame, the TOPS requirements changed, with an increase of the minimum ACT score (from 19 to 20), change in required high school GPA from the *overall* to a *core* GPA, and increase in the number of core courses from 16.5 to 17.5. Even with these increases in eligibility requirements, and recovering from the 2005 setback due to hurricane-driven displacements, TOPS has made a difference: more, better-prepared Louisiana students are enrolling in college with TOPS.

Persistence

Persistence in postsecondary education is usually measured by the rate at which first time full-time students are retained to their second year. The statewide retention (persistence) rate to the second year for the entering class in fall 1997 (prior to TOPS) returning in fall 1998 was 71.3%. The statewide retention rate for the class entering in fall

2007 and returning in fall 2008 was 75%; among TOPS recipients the state retention rate was 88%, while among non-TOPS students it was 65%.

The Student Retention/Persistence reports in Appendix B identify, by entering fall term and institution, the FTF cohort and second- through sixth-year retention rates for those who began college with TOPS and without a TOPS award (non-TOPS). Table 6 compares the overall retention rate to the second, third, and fourth year (if available) of TOPS students (*whether or not they retained the award*) and non-TOPS students. The data indicate that, in spite of hurricanes like Katrina/Rita that interrupted so many students' planned enrollments in 2005-2006, students who start school with a TOPS award reenroll in subsequent years at a higher rate than non-TOPS students.

Table 6. Retention/Persistence

| Fall Semester Entering Class | % Re-enrolled in Subsequent Years | | | | | |
|------------------------------|-----------------------------------|----------|----------------------|----------|----------------------|----------|
| | 2 nd Year | | 3 rd Year | | 4 th Year | |
| | TOPS | Non-TOPS | TOPS | Non-TOPS | TOPS | Non-TOPS |
| 1999 | 88% | 62% | 82% | 50% | 77% | 44% |
| 2001 | 87% | 65% | 82% | 54% | 76% | 47% |
| 2003 | 89% | 66% | 77% * | 43% * | 77% | 42% |
| 2006 | 87% | 64% | 81% | 51% | - | - |

Note: Not including LTC

* 2005 Academic Year: Katrina/Rita

Retention of TOPS Award

Students who receive a TOPS award must maintain minimum academic criteria to retain their award (Table 2). Those who fail to maintain the minimum GPA have their award suspended; if they raise their cumulative GPA to the required level within two years, the award is reinstated. The award is cancelled when students fail to maintain full-time enrollment, earn the required 24 hours of credit, or raise their GPA to the required minimum.

Table 7 shows the percentage of students with TOPS whose award was suspended or cancelled over the course of an academic year. Though approximately 13% of TOPS students lose the award each year, Regents' data indicates that, of the public postsecondary students who lost TOPS over the four-year period from 2004-2007, 77 percent subsequently re-enrolled in a public postsecondary institution (without TOPS) to continue their education.

Table 7. Lost TOPS

| Academic Year | TOTAL TOPS Awards | SUSPENDED GPA | CANCELLED Hours Earned | CANCELLED Other Reason |
|---------------|-------------------|---------------|------------------------|------------------------|
| 2004 | 37,221 | 16.6% | 10.4% | 2.9% |
| 2005 | 37,344 | 20.8% | 6.5% | 2.8% |
| 2006 | 38,568 | 19.9% | 11.8% | 3.7% |
| 2007 | 37,205 | 18.6% | 10.5% | 3.5% |

* Public, only: New & Continuing Students. Not including TOPS Tech.

Graduation

Graduation is usually measured at the rate in which first time entering students earn their academic degrees within 150% of the time required, i.e., within three-years for associate degrees, and six-years for baccalaureate degrees. This 150% protocol for measuring degrees was adopted by the federal government and has become the standard followed by the regions and states. Table 8 displays the percent of TOPS and non-TOPS students who have earned a bachelor's degree within the six academic years, starting with the Fall/1998 entering class.

Table 8: Completers (Baccalaureates)

| Entering Year | % GRADUATING Within 6 Years | | |
|---------------|-----------------------------|------|----------|
| | Total | TOPS | Non-TOPS |
| 1998 | 35% | 58% | 19% |
| 1999 | 37% | 59% | 21% |
| 2000 | 37% | 58% | 20% |
| 2001 | 37% | 57% | 20% |

Note: Not including LTC

Students who begin college with TOPS consistently graduate at nearly three times the rate of non-TOPS students. The Completers reports in Appendix C list, by institution, the number of TOPS and non-TOPS students in an entering cohort who earned a Baccalaureate degree within six years or an Associate degree (or certificate or diploma) within three years.

To further study program success, Regents and LOSFA identified students in the *TOPS Cohort*—who entered a public college/university in 2000 and 2001 with TOPS awards—who had completed the TOPS program, i.e., who *kept* TOPS (without either suspension or cancellation) *for the full eight semesters*, and who had graduated with a bachelor's degree by 2007-08. This quantified the students on TOPS who had earned a baccalaureate within six (for the 2001 cohort) or seven (for the 2000 cohort) years.

Table 9: TOPS Completers

| Freshman Year | TOPS Cohort (Public) | Award Status (Full 8-Semester Program) | | By 2007-08 | |
|---------------|----------------------|--|-------|--------------------|----------------|
| | | | | Earned Bach Degree | No Bach Degree |
| 2000 | 11,137 | Kept TOPS | 5,753 | 5,362 | 391 |
| | | Lost TOPS | 5,384 | 1,892 | 3,492 |
| 2001 | 11,605 | Kept TOPS | 5,981 | 5,446 | 535 |
| | | Lost TOPS | 5,624 | 1,666 | 3,958 |

The data in Table 9 show that, for both of the freshman cohorts, almost two-thirds of the students who started college with TOPS awards in 2000 or 2001 have graduated, whether or

not they managed to keep the award for all eight semesters, and 93% of those who kept TOPS all four years have graduated with a bachelor's degree.

Whether or not students retain the TOPS award, those who begin college on TOPS complete a degree at a faster rate, as a group, than those who do not.

SUMMARY

The purposes of the reporting requirements of ACT 1202 are to provide accurate data and statistics relative to the impact of TOPS on the state and students as well as for policy analysis and program evaluation. The TOPS reporting model developed by Regents serves the state by providing accurate data for policy analysis and the basis for future decisions regarding the TOPS program in Louisiana.

A review of the data presented in this report indicates that the TOPS program is meeting the generally accepted purposes for which it was developed:

- Students who take the core curriculum score significantly better on the ACT;
- More students in the recent graduating class took the core and more have been determined eligible for TOPS by LOSFA;
- The number of first time freshmen with TOPS enrolling in public postsecondary education has increased;
- A larger number of students with higher ACT scores are remaining in Louisiana to attend college;
- Students receiving a TOPS award persist in college at a higher rate than non-TOPS students; and
- More students with TOPS graduate from college in a shorter period of time than non-TOPS students.

Act 1202

ENROLLED

Regular Session, 2001
HOUSE BILL NO. 2012
BY REPRESENTATIVE DANIEL
AN ACT

To enact R.S. 17:3048.3 and 3048.4, relative to the Tuition Opportunity Program for Students; to provide for the establishment and implementation of a uniform information reporting system; to provide for applicability; to provide relative to compliance with reporting system requirements by colleges and universities, including requiring compliance as a condition of eligibility to receive certain payments by the state; to require that the reporting system include certain components; to provide for certain notifications to parents and others about program availability; and to provide for related matters. Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 17:3048.3 and 3048.4 are hereby enacted to read as follows:

§3048.3. Program information reporting system; implementation; requirements; applicability; participation by eligible institutions and others

A.(1) The Board of Regents shall formulate, develop, establish, and implement a uniform Tuition Opportunity Program for Students information reporting system for the purposes of policy analysis and program evaluation and for providing accurate data and statistics to the legislature, the governor and appropriate executive branch agencies, and the public relative to the program's impact on the state and on students.

(2) In formulating and developing the information reporting system, the Board of Regents shall consult with and seek written recommendations from the Louisiana Student Financial Assistance Commission, each college or university eligible for participation in the Tuition Opportunity Program for Students, each of the public postsecondary education management boards, the Louisiana Association of Independent Colleges and Universities, legislators, and knowledgeable others as determined appropriate by the Board of Regents.

(3) It is the intention of the legislature that the reporting system provided by this Section and the requirements thereof shall be applicable to all Tuition Opportunity Program for Students applicants, all award recipients regardless of eligible college or university attended, and all such eligible colleges and universities. Effective for the 2002- 2003 award year and thereafter, compliance with the requirements of the Tuition Opportunity Program for Students information reporting system shall be a condition for an eligible college or university to remain eligible to receive payments from the state on behalf of an award recipient. Compliance determinations shall be made annually by the Board of Regents.

B. The Tuition Opportunity Program for Students information reporting system shall include but not be limited to the following:

(1) A report prepared as of the end of the Fall semester and again as of the end of the Spring semester or equivalent periods of time during each academic year relative to the rate of retention of program awards by students as they progress from semester to semester or other equivalent periods of time as may be applicable once enrolled at an eligible college or university. The data shall be reported by institution attended, by the two digit classification of instructional program, and by program award category and shall include the percent of students losing program eligibility due to not earning the minimum number of credit hours, the percent of students losing program eligibility due to not having the required cumulative grade point average, and the percent of students losing program eligibility for failing to make steady academic progress.

(2) The persistence rates at colleges and universities of freshmen, sophomore, junior, and senior students receiving a program award reported by award category and by award year.

(3) The graduation rates or rates of completion of the chosen postsecondary education program if otherwise applicable for students receiving a program award, reported by award category and award

year, including for those graduating with an academic degree at the baccalaureate level the rate for persons graduating within four years, within five years, and within six years, respectively.

(4) The mean length of time required for a student receiving a program award to graduate with an academic degree at the baccalaureate level or to complete the chosen postsecondary education program if otherwise applicable with such information being reported by award category and by award year.

(5) An annual report on the number of applicants as well as the percent of high school graduates by high school and by parish who apply for a program award, by award category, and the percent of those students who subsequently enroll in a college or university.

(6) Statistical studies on the relationship between the courses taken and grades earned by a high school student and the student's score on the American College Test or the Scholastic Aptitude Test. Relative to public high schools, such statistical studies shall use student course and grade data that is otherwise available from the schools and such studies shall be conducted at no additional cost to the governing authority of any public high school.

C. When necessary due to limitations in existing secondary data sources and systems, the Board of Regents, consistent with the general provisions of this Section, may modify any specific requirement of this Section. However, prior to making any such modifications the board shall report in writing to the House Committee on Education and the Senate Committee on Education on the proposed action and the board shall have received approval from each committee relative to the proposed action.

§3048.4. Notice to students and parents

The State Board of Elementary and Secondary Education shall require that the governing authority of every public secondary school include as a component of a student's Five Year Educational Plan as required by R.S. 17:183.2 comprehensive information relative to the Tuition Opportunity Program for Students and program eligibility requirements for each of the awards. Additionally, the parent or other person responsible for the student's school attendance at the ninth grade level shall be required to return to the school at the start of the student's ninth grade year a signed notice that the program information and eligibility requirements have been reviewed by the parent or other responsible person and by the student and that, for informational and data collection purposes only, expresses the intent of the parent or other responsible person as to whether or not the student will be pursuing the necessary program of studies to be eligible for a Tuition Opportunity Program for Students award.

Section 2. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided in Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES
PRESIDENT OF THE SENATE
GOVERNOR OF THE STATE OF LOUISIANA
APPROVED:

26-GS2771\S
Mischel
3/8/10

CS FOR SENATE BILL NO. 224(EDC)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE EDUCATION COMMITTEE

**Offered:
Referred:**

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

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing the governor's performance scholarship program and relating to**
2 **the program; establishing the governor's performance scholarship fund and relating to**
3 **the fund; relating to student records; making conforming amendments; and providing**
4 **for an effective date."**

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

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

7 **Sec. 14.03.113. District determination of scholarship eligibility.** A school
8 district shall determine whether a student who graduates from a high school in the
9 district is eligible for an award of a merit-based governor's performance scholarship
10 under AS 14.43.810 - 14.43.890. If a student is eligible, the district shall state in the
11 student's permanent record the highest tier of funding for which the student is eligible.
12 A district shall provide a student with an opportunity to request that the district correct
13 an error in the eligibility determination.

14 *** Sec. 2.** AS 14.07.020(a) is amended to read:

Amendment

1 (a) The department shall

2 (1) exercise general supervision over the public schools of the state
3 except the University of Alaska;

4 (2) study the conditions and needs of the public schools of the state,
5 adopt or recommend plans, administer and evaluate grants to improve school
6 performance awarded under AS 14.03.125, and adopt regulations for the improvement
7 of the public schools;

8 (3) provide advisory and consultative services to all public school
9 governing bodies and personnel;

10 (4) prescribe by regulation a minimum course of study for the public
11 schools; the regulations must provide that, if a course in American Sign Language is
12 given, the course shall be given credit as a course in a foreign language;

13 (5) establish, in coordination with the Department of Health and Social
14 Services, a program for the continuing education of children who are held in detention
15 facilities in the state during the period of detention;

16 (6) accredit those public schools that meet accreditation standards
17 prescribed by regulation by the department; these regulations shall be adopted by the
18 department and presented to the legislature during the first 10 days of any regular
19 session, and become effective 45 days after presentation or at the end of the session,
20 whichever is earlier, unless disapproved by a resolution concurred in by a majority of
21 the members of each house;

22 (7) prescribe by regulation, after consultation with the state fire
23 marshal and the state sanitarian, standards that will ensure healthful and safe
24 conditions in the public and private schools of the state, including a requirement of
25 physical examinations and immunizations in pre-elementary schools; the standards for
26 private schools may not be more stringent than those for public schools;

27 (8) exercise general supervision over pre-elementary schools that
28 receive direct state or federal funding;

29 (9) exercise general supervision over elementary and secondary
30 correspondence study programs offered by municipal-school districts or regional
31 educational attendance areas; the department may also offer and make available to any

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Alaskan through a centralized office a correspondence study program;

(10) accredit private schools that request accreditation and that meet accreditation standards prescribed by regulation by the department; nothing in this paragraph authorizes the department to require religious or other private schools to be licensed;

(11) review plans for construction of new public elementary and secondary schools and for additions to and major rehabilitation of existing public elementary and secondary schools and, in accordance with regulations adopted by the department, determine and approve the extent of eligibility for state aid of a school construction or major maintenance project; for the purposes of this paragraph, "plans" include educational specifications, schematic designs, and final contract documents;

(12) provide educational opportunities in the areas of vocational education and training, and basic education to individuals over 16 years of age who are no longer attending school;

(13) administer the grants awarded under AS 14.11;

(14) establish, in coordination with the Department of Public Safety, a school bus driver training course;

(15) require the reporting of information relating to school disciplinary and safety programs under AS 14.33.120 and of incidents of disruptive or violent behavior;

(16) establish by regulation criteria, based on low student performance, under which the department may intervene in a school district to improve instructional practices, as described in AS 14.07.030(14) or (15); the regulations must include

(A) a notice provision that alerts the district to the deficiencies and the instructional practice changes proposed by the department;

(B) an end date for departmental intervention, as described in AS 14.07.030(14)(A) and (B) and (15), after the district demonstrates three consecutive years of improvement consisting of not less than two percent increases in student proficiency on standards-based assessments in math, reading, and writing as provided in AS 14.03.123(f)(2)(A); and

(C) a process for districts to petition the department for

1 continuing or discontinuing the department's intervention;

2 (17) notify the legislative committees having jurisdiction over
3 education before intervening in a school district under AS 14.07.030(14) or redirecting
4 public school funding under AS 14.07.030(15);

5 (18) administer duties assigned to the department under the
6 governor's performance scholarship program established in AS 14.43.810 -
7 14.43.890.

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

9 (e) The commission may

10 (1) adopt regulations under AS 44.62 (Administrative Procedure Act)

11 to

12 (A) carry out the purposes of

13 (i) AS 14.43.091 - 14.43.890 [AS 14.43.091 -
14 14.43.750], 14.43.990, AS 14.44, and AS 14.48; and

15 (ii) AS 14.43.910 and 14.43.920 as they relate to the
16 purposes of AS 14.43.091 - 14.43.890 [AS 14.43.091 - 14.43.750],
17 14.43.990, AS 14.44, and AS 14.48;

18 (B) ensure compliance with the requirements imposed by state
19 and federal statutes and regulations governing the guaranty, insurance,
20 purchase, or other dealings in eligible loans by federal agencies,
21 instrumentalities, or corporations; and

22 (C) establish standards for the

23 (i) administration of hearings conducted under
24 AS 14.43.153; and

25 (ii) administrative enforcement of collection orders
26 under AS 14.43.151 - 14.43.155;

27 (2) delegate to the executive director of the commission or a
28 subcommittee of the commission any duty imposed on or power granted to the
29 commission by this chapter, AS 14.43, AS 14.44, or AS 14.48, except its power to
30 adopt regulations and its duty to consider appeals under AS 14.43.100(b) and
31 AS 14.48.120;

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

(4) contract with or use existing institutions of postsecondary education or other individuals or organizations to make studies, conduct surveys, submit recommendations, or otherwise contribute to the work of the commission;

(5) establish fees for the review of an out-of-state institution that
(A) requests approval for participation in the programs under AS 14.43.091 - 14.43.750, 14.43.990, and AS 14.44; and

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

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

* ~~Sec. 4. AS 14.42.200 is amended to read:~~

Sec. 14.42.200. General powers. In addition to other powers granted in this chapter, the corporation may *Alaska Student Loan Corporation*

(1) sue and be sued in its own name; ASLC

(2) adopt an official seal;

(3) adopt regulations under AS 44.62 (Administrative Procedure Act) to carry out the purposes of this chapter;

(4) make and execute agreements, contracts, and other instruments necessary or convenient in the exercise of the powers and functions of the corporation, including contracts with a person or governmental entity;

(5) receive, take, hold, and administer, on behalf of the corporation and for any of its purposes, any appropriation, gift, grant, bequest, devise, or donation of real property or personal property if that obligation of the corporation is not a debt of the state; in this paragraph, "property" includes

(A) money; and

(B) life estates, leases, or other interests in property;

1 (6) borrow money as provided in this chapter to carry out its corporate
2 purposes and issue its obligations as evidence of the borrowing;

3 (7) include in a borrowing the amounts to pay financing charges,
4 interest on the obligations for a period not exceeding one year after the date on which
5 the corporation estimates funds will otherwise be available to pay the interest,
6 consultant, advisory, and legal fees, and other expenses necessary or incident to the
7 borrowing;

8 (8) invest or reinvest, subject to its contracts with noteholders and
9 bondholders, money held by the corporation as set out in AS 37.10.071;

10 (9) set and collect interest, fees, and charges in connection with
11 education loans or repayment obligations held by the corporation and its servicing
12 agents; in this paragraph, "charges" includes costs of financing by the corporation,
13 service charges, insurance premiums, and other costs incurred by the corporation in
14 carrying out its corporate purposes;

15 (10) gather information on postsecondary education financial resources
16 available to residents of this state and disseminate the information to reasonably
17 ensure that qualified residents are aware of those financial resources;

18 (11) service education loans and repayment obligations held by the
19 corporation;

20 (12) purchase or participate in the purchase of education loans;

21 (13) contract in advance for the purchase or sale of education loans;

22 (14) sell or participate in the sale, either public or private and on terms
23 authorized by the board, of education loans to the Student Loan Marketing Association
24 or to other purchasers;

25 (15) collect and pay reasonable fees and charges in connection with the
26 purchase, sale, and servicing of education loans and repayment obligations;

27 (16) enter into agreements with the federal government, including
28 guaranty agreements and supplemental guaranty agreements as described in 20 U.S.C.
29 1001 - 1155, as amended, as necessary to provide for the receipt by the corporation of
30 administrative allowances and other benefits available under 20 U.S.C. 1001 - 1155,
31 as amended;

1 (17) administer federal money allotted to the state involving insured
2 education loans and related administrative costs and other matters;

3 (18) enter into agreements with the commission relating to education
4 loans and repayment obligations, the administration of the financial aid and loan
5 programs under AS 14.43.091 - 14.43.890 [AS 14.43.091 - 14.43.750], 14.43.990, and
6 AS 14.44, and the payment of and security for bonds of the corporation;

7 (19) to the extent permitted under contracts with bondholders, consent
8 to the modification of the rate of interest, time of payment of an installment of
9 principal or interest, or other terms of an education loan or repayment obligation held
10 by the corporation;

11 (20) procure insurance against any loss in connection with the
12 operation of its programs;

13 (21) provide advisory services to borrowers and other participants in
14 the corporation's programs;

15 (22) enter into credit facility agreements and make pledges, covenants,
16 and agreements with respect to the repayment of borrowings under the credit facility
17 agreements;

18 (23) develop and implement education financing programs; in this
19 paragraph, "programs" includes

20 (A) programs listed in AS 14.42.030(b)(1);

21 (B) programs for the guaranteeing, servicing, originating, and
22 financing of education loans for borrowers located both inside and outside the
23 state; and

24 (C) federal financial aid programs made under federal law; and

25 (24) perform acts that may be necessary or appropriate to carry out
26 effectively the general objectives and purposes of the corporation under AS 14.42.100
27 - 14.42.990.

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

29 **Article 11A. Governor's Performance Scholarship Program.**

30 **Sec. 14.43.810. Governor's performance scholarship program established;**

31 **Alaska residency.** (a) The governor's performance scholarship program is established

Amendment J
Delete academic; career
Amendment L

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for the purpose of ensuring that a rigorous curriculum is available in all high schools in the state and to provide scholarships for high school graduates who are Alaska residents to attend a qualified postsecondary institution in the state. ~~Delete academic; career~~

(b) The department shall design the programmatic standards for the scholarships and appeals of adverse decisions. ~~The commission shall administer the daily operations of the program and financing of the program, including the procedures for applying for the scholarships,~~ establishing standards for and ensuring continuing compliance with programmatic standards, and requiring students to apply for other non loan financial aid, consistent with federal law. The respective agencies shall adopt necessary regulations under AS 44.62 after consultation with each other. The department may change the regulations under AS 44.62 relating to the programmatic standards for required academic achievement for eligibility only by giving advance public notice at least one school year before the effective date of the change.

(c) For purposes of the program, a student is an Alaska resident if the student meets the requirements for establishing residency under AS 01.10.055.

Sec. 14.43.815. Qualifications of applicants. (a) A student may apply for a governor's performance scholarship to attend a qualified postsecondary institution in the state if the student

- (1) has applied or intends to apply for admission to the institution;
- (2) is an Alaska resident who has

Amendment
Delete 6 month proviso

(A) graduated, or will graduate after the date of the application, from a high school in the state, including a public school, private school, or home school;

Delete 6 month proviso

(B) graduated, or will graduate after the date of the application, from a high school outside of the state under circumstances allowed by the department; for purposes of this subparagraph, allowable circumstances include a circumstance in which a high school student who is an Alaska resident left the state because of the military service of the student's custodial parent who is an Alaska resident;

→ Delete six year proviso

- (3) ~~maintains a minimum grade-point average~~ while attending the

1 postsecondary institution; and

2 (4) meets other minimum qualifications to apply or continue to be
3 eligible for a governor's performance scholarship.

4 (b) A student is not qualified to receive a governor's performance scholarship
5 if the student

6 (1) has not complied with the military selective service registration
7 requirements imposed under 50 U.S.C. App. 453 (Military Selective Service Act), if
8 those requirements apply to the student;

9 (2) is currently in default or owes a refund on a federal financial aid
10 loan under the federal guaranteed student loan program or financial aid awarded under
11 this chapter; or

12 (3) has been convicted of a felony in the state or another jurisdiction
13 and has not qualified for a waiver under standards adopted by the department.

14 (c) The department shall adopt regulations to include an application procedure
15 for the award of a scholarship or for the resumption of a scholarship award for an
16 eligible applicant who has either withdrawn from or delayed enrollment in a qualified
17 postsecondary institution in the state and who has been admitted to a qualified
18 postsecondary institution, regardless of age.

19 **Sec. 14.43.820. Eligibility for a merit-based performance scholarship.** (a)

20 Subject to appropriation, the commission shall award a merit-based performance
21 scholarship to an applicant who meets the eligibility criteria for the award under the
22 program.

23 (b) The programmatic standards for eligibility for an award of a merit-based
24 performance scholarship under the program include the following: *Amendment L*

25 (1) the four-year core academic curriculum, which may include virtual
26 curriculum, that the student must have completed in high school; the core academic
27 curriculum must include one of the following:

28 (A) a combination of

- 29 (i) four years of mathematics;
- 30 (ii) four years of language arts;
- 31 (iii) four years of science; and

Amendment

Amendment L

Amendment L

Amendment

Does this section do the work of providing for Non-Trad Students?

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(iv) ~~four~~ years of social studies, one year of which may include a foreign language, Alaska Native language, fine arts, or cultural heritage; or

(B) a combination of

- (i) three years of mathematics;
- (ii) four years of language arts;
- (iii) three years of science;
- (iv) four years of social studies; and
- (v) two years of a foreign language, Alaska Native language, fine arts, ~~or cultural heritage;~~

(2) the minimum grade average that the student must have achieved in high school to be eligible for each of the three tiers of merit-based scholarship award; the top tier is the A average tier, the second tier is the B average tier, and the third tier is the C plus average tier; the grade-point average for the A average tier is 3.5 or higher, for the B average tier is less than 3.5 but not less than 3.0, and for the C plus average tier is less than 3.0 but not less than 2.5; the department shall set by regulation minimum requirements based on a substantially similar standard for districts that do not assign grades;

Amendment L

~~(3) the minimum score on a college entrance examination that the student must have achieved to be eligible for each of the three tiers of merit-based scholarship award;~~

~~(4) a process by which a student who meets the grade standards in (2) of this subsection for a particular tier, but does not meet the minimum scores established under (3) of this subsection for that tier, may apply for a lower tier scholarship;~~

(5) enrollment in a course of study at a qualified postsecondary institution as described in AS 14.43.835 that is intended to result in the award of a certificate or degree;

Amendment L

(6) a process through which a student who is no longer eligible can regain eligibility;

(7) a process through which a home-schooled or private-schooled

1 student may submit evidence to the qualified postsecondary institution that establishes
2 the equivalent of the high school diploma, grade-point average, and core academic
3 curriculum for public school students.

Amendment
L

4 **Sec. 14.43.825. Maximum award and allowable uses; merit-based**
5 **performance scholarship.** (a) Subject to (b) - (e) of this section, the maximum award
6 for a merit-based performance scholarship under the program is,

Amendment
L

7 (1) for a student who demonstrates very high academic achievement,
8 the cost of approved tuition for a full-time student in school year ~~2009 through 2010~~ at
9 ~~the qualified postsecondary institution at which the student intends to enroll;~~

Amendment
L

10 (2) for a student who demonstrates high academic achievement, 75
11 percent of approved tuition for a full-time student in school year ~~2009 through 2010~~ at
12 ~~the qualified postsecondary institution at which the student intends to enroll;~~

APU?
(Not more
than tuition
at UA
2010-2011.)

13 (3) for a student who demonstrates moderate academic achievement,
14 50 percent of approved tuition for a full-time student in school year ~~2009 through~~
15 ~~2010 at the qualified postsecondary institution at which the student intends to enroll;~~

16 (b) Subject to (e) of this section, a student who qualifies for a merit-based
17 scholarship may apply the award to the costs of attending a qualified career and
18 technical school program as described in AS 14.43.835(a)(2);

Amendment

19 (c) A part-time student who receives a (merit-based scholarship) and is enrolled
20 on at least a half-time basis is eligible for an award on a pro rata basis.

Amendment L

21 *Amendment* (d) A student receiving a merit-based scholarship may remain eligible for up
22 to ~~12~~ semesters of enrollment at a qualified university or college, which may include
23 graduate courses, or for up to ~~two calendar years~~ of attendance at a qualified career or
24 technical school. *A student may not receive more than one merit-based scholarship*
25 award. *Delete provisions for Career scholarship*

Amendment

Amendment
L

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

Amendment
L

30 **Sec. 14.43.828. Eligibility for a needs-based performance scholarship;**
31 **maximum award.** (a) Subject to appropriation, the commission shall award a needs-

Amendment
L

1 based performance scholarship to a student who meets the eligibility criteria for the
2 award.

3 (b) A student is eligible to receive a needs-based performance scholarship if
4 the student

5 (1) is eligible for a merit-based performance scholarship; and

6 (2) can demonstrate, in a year in which the student receives a
7 scholarship, that the student has unmet financial need greater than \$2,000.

8 (c) ~~The maximum amount for a needs-based performance scholarship is 50%~~
9 ~~percent of the unmet financial need that exceeds \$2,000, No more than Awards.~~

10 (d) The qualified postsecondary institution attended by the student shall
11 determine unmet financial need by subtracting from the student's allowable standard
12 costs of attendance at the institution all non loan sources of financial support,
13 including an expected family contribution and all federal, state, and private
14 scholarships or grants received by the student.

15 (e) In this section,

16 (1) "allowable standard costs of attendance" means, for a student who
17 receives a merit-based performance scholarship, the costs of attendance at the
18 qualified postsecondary institution that the student attends or plans to attend, as
19 determined by the commission based on room and board costs that do not exceed the
20 standard room and board costs at the University of Alaska as determined by the
21 commission;

22 (2) "expected family contribution" means the amount a student or the
23 student's family is expected to pay toward the student's cost of attendance, as
24 determined by use of the most recent federal Free Application for Federal Student Aid.

25 **Sec. 14.43.830. Programmatic standards.** (a) Subject to (b) of this section,
26 the department shall establish programmatic standards for the program.

27 (b) The department shall establish a make-up procedure or alternative pathway
28 to allow students who are not eligible for a scholarship to make up a deficit by
29 alternative means if the deficit was caused by circumstances beyond the student's
30 control. The department may not waive a requirement and shall require the student to
31 achieve a result comparable to that required of other students. The decision of the

1 department regarding a student's eligibility for alternative means is final. In
 2 determining circumstances in which the student may pursue alternative means, ~~the~~
 3 ~~department shall consider the effect on students who have met the requirements.~~

How can they meet the requirements if they are not able to meet the requirements?
 ?

4 Attendance at a high school outside of the state is not a circumstance in which a
 5 student may be allowed to pursue alternative means to qualify for a scholarship.
 6 Circumstances in which the department may allow a student to pursue alternative
 7 means to qualify for a scholarship include the following:

- 8 (1) ~~the required curriculum was not reasonably available to the student~~
 9 because the student attended a small and remote high school in the state;
- 10 (2) the deficit was caused by rare and unusual circumstances outside
 11 the control of the student.

12 **Sec. 14.43.835. Qualified postsecondary institutions.** (a) The following
 13 institutions are qualified postsecondary institutions:

- 14 (1) a university or college physically located in the state that is
 - 15 (A) authorized to operate in the state under AS 14.48.020, or is
 - 16 exempt from authorization under AS 14.48.030(b)(1); and
 - 17 (B) accredited by a regional accreditation association;
- 18 (2) a career and technical school program physically located in the
 19 state that has been included on a list of certified career and technical school programs
 20 received from ~~the Department of Labor and Workforce Development~~; the commission
 21 shall publish the list on or before September 1 of the year preceding enrollment.

22 (b) The Department of Labor and Workforce Development shall, in
 23 consultation with the Department of Education and Early Development, adopt
 24 regulations under AS 44.62 establishing criteria under which the Department of Labor
 25 and Workforce Development shall certify career and technical school programs in the
 26 state as eligible to participate in the governor's performance scholarship program. The
 27 criteria to be considered under this subsection include the following:

- 28 (1) the quality of the job-training program offered by the career and
 29 technical school;
- 30 (2) the employability of a graduate of the program, including whether
 31 the program results in a certificate or license that is recognized by the industry for

1 which the training prepares the student;

2 (3) whether jobs in the industry for which the training prepares the
3 student are available or expected to be available in the future in the state;

4 (4) other criteria established by the Department of Labor and
5 Workforce Development in regulation.

6 (c) A postsecondary institution is physically located in the state if the campus,
7 teachers, classrooms, school administrators, and equipment used to provide the
8 education to the students are physically present in the state. Use of virtual, electronic,
9 or online materials by teachers in the state does not disqualify a postsecondary
10 institution even if the materials are generated outside the state. However, a
11 correspondence, virtual, electronic, or online program that is administered from
12 outside the state is not physically located in the state even if the program is delivered
13 by teachers or equipment in the state.

14 **Sec. 14.43.840. Application and award.** (a) ~~The commission~~ shall establish
15 application procedures for students to apply for a governor's performance scholarship.

16 (b) ~~The commissions~~ shall adopt procedures for payment of scholarship awards
17 to the institution attended by the scholarship recipient. Payment of a scholarship is
18 subject to appropriation. If insufficient funds are appropriated to pay all eligible
19 scholarships, ~~the commission shall~~ pay existing awards on a pro rata basis.

20 (c) A student who is awarded a scholarship in error shall be required to refund
21 to the state the amount of the scholarship awarded in error.

22 **Sec. 14.43.845. Governor's performance scholarship fund income account.**
23 The governor's performance scholarship fund income account is created as an account
24 in the general fund. Money may be appropriated into the account from the expendable
25 earnings of the governor's performance scholarship fund under AS 37.14.750 -
26 37.14.790 and other sources. ~~The commission~~ may use money in the account to pay
27 scholarships awarded to students under AS 14.43.810 - 14.43.890.

28 **Sec. 14.43.850. Report to the legislature.** (a) To the extent permitted under
29 law, the department, the commission, the University of Alaska, the Department of
30 Revenue, and the Department of Labor and Workforce Development shall share data
31 necessary to prepare public reports regarding the program.

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

- (1) the number of applicants and number and types of scholarships awarded;
- (2) the dollar amount of scholarships awarded in past years and the dollar amounts expected to be awarded for the next year; and
- (3) data and trends in the data regarding high school and postsecondary student performance, programmatic changes, and graduation rates over time.

Sec. 14.43.890. Definitions. In AS 14.43.810 - 14.43.890, unless the context requires otherwise,

- (1) "grade-point average" means the average of all grades on a four-point scale, or five-point scale for advanced placement classes, obtained by the student in high school;
- (2) "military service" means active duty in the armed forces of the United States;
- (3) "program" means the governor's performance scholarship program established under AS 14.43.810 - 14.43.890;
- (4) "school district" means a borough school district, a city school district, a regional educational attendance area, and a state boarding school.

* **Sec. 6.** AS 14.45.130(a) is amended to read:

(a) A religious or other private school that elects to comply with AS 14.45.100 - 14.45.130 shall maintain permanent student records reflecting immunizations, physical examinations, standardized testing, academic achievement, [AND] courses taken at the school, and level of eligibility for a governor's performance scholarship under AS 14.43.810 - 14.43.890.

* **Sec. 7.** AS 23.05.060 is amended to read:

Sec. 23.05.060. Powers of the department. The department may

- (1) enforce all state labor laws;

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(2) act as mediator and appoint deputy commissioners of conciliation in labor disputes whenever it considers the interest of industrial peace requires it;

(3) make investigations and collect and compile statistical information concerning the conditions of labor generally and upon all matters relating to the enforcement of this chapter;

(4) institute court proceedings against an employer of labor without cost to the employee when it is satisfied that the employer has failed to pay an employee an amount due by contract;

(5) issue cease and desist orders and other orders and regulations necessary for the enforcement of state labor laws;

(6) in accordance with AS 37.07 (the Executive Budget Act), receive and spend money derived from agreements with local governments, nongovernmental organizations, or other persons;

~~(7) administer duties assigned to the department under the governor's performance scholarship program established in AS 14.43.810 - 14.43.890.~~

* Sec. 8. AS 36.30.850(b) is amended to read:

(b) This chapter applies to every expenditure of state money by the state, acting through an agency, under a contract, except that this chapter does not apply to

- (1) grants;
- (2) contracts for professional witnesses to provide for professional services or testimony relating to existing or probable lawsuits in which the state is or may become a party;
- (3) contracts of the University of Alaska where the work is to be performed substantially by students enrolled in the university;
- (4) contracts for medical doctors and dentists;
- (5) acquisitions or disposals of real property or interest in real property, except as provided in AS 36.30.080 and 36.30.085;
- (6) disposals under AS 38.05;
- (7) contracts for the preparation and transportation of ballots under AS 15;

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(8) acquisitions or disposals of property and other contracts relating to airports under AS 02.15.070, 02.15.090, 02.15.091, and AS 44.88;

(9) disposals of obsolete property under AS 19.05.060;

(10) disposals of obsolete material or equipment under AS 35.20.060;

(11) agreements with providers of services under AS 47.25.071 - 47.25.095; AS 47.07; AS 47.08; AS 47.10; AS 47.12; AS 47.14; AS 47.17; AS 47.24; and AS 47.27, including contractors under AS 47.27.050;

(12) contracts of the Department of Fish and Game for flights that involve specialized flying and piloting skills and are not point-to-point;

(13) purchases of income-producing assets for the state treasury or a public corporation of the state;

? (14) [REPEALED

(15)] a contract that is a delegation, in whole or in part, of investment powers held by

(A) the commissioner of revenue under AS 14.42.200, 14.42.210, AS 18.56.095, AS 37.10.070, 37.10.071, or AS 37.14;

(B) the Board of Regents of the University of Alaska under AS 14.40.250 - 14.40.491;

(15) [(16)] a contract that is a delegation, in whole or in part, of investment powers or fiduciary duties of

(A) the Board of Trustees of the Alaska Permanent Fund Corporation under AS 37.13;

(B) the Alaska Mental Health Trust Authority under AS 37.14.001 - 37.14.099;

(16) [(17)] the purchase of books, book binding services, newspapers, periodicals, audio-visual materials, network information services access, approval plans, professional memberships, archival materials, objects of art, and items for museum or archival acquisition having cultural, historical, or archaeological significance; in this paragraph

(A) "approval plans" means book selection services in which current book titles meeting an agency's customized specifications are provided

1 to the agency subject to the right of the agency to return those books that do
2 not meet with the agency's approval;

3 (B) "archival materials" means the noncurrent records of an
4 agency that are preserved after appraisal because of their value;

5 (C) "audio-visual materials" means nonbook prerecorded
6 materials, including records, tapes, slides, transparencies, films, filmstrips,
7 cassettes, videos, compact discs, laser discs, and items that require the use of
8 equipment to render them usable;

9 (D) "network information services" means a group of resources
10 from which cataloging information, holdings records, inter-library loans,
11 acquisitions information, and other reference resources can be obtained;

12 (17) [(18)] contracts for the purchase of standardized examinations for
13 licensure under AS 08;

14 (18) [(19)] contracts for home health care provided under regulations
15 adopted by the Department of Health and Social Services and for adult residential care
16 services provided under regulations adopted by the Department of Health and Social
17 Services or by the Department of Administration;

18 (19) [(20)] contracts for supplies or services for research projects
19 funded by money received from the federal government or private grants;

20 (20) [(21)] guest speakers or performers for an educational or cultural
21 activity;

22 (21) [(22)] contracts of the Alaska Industrial Development and Export
23 Authority for a clean coal technology demonstration project that

24 (A) is attempting to develop a coal-fired electric generation
25 project;

26 (B) uses technology that is capable of commercialization
27 during the 1990's; and

28 (C) qualifies for federal financial participation under P.L. 99-
29 190 as amended;

30 (22) [(23)] operation and protection of assets or disposals of equipment
31 and supplies acquired through foreclosure or other legal proceedings relating to loans

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issued under AS 03.10;

(23) [(24)] purchases of curatorial and conservation services to maintain, preserve, and interpret

(A) objects of art; and

(B) items having cultural, historical, or archaeological significance to the state;

(24) [(25)] acquisition of confidential seismic survey data necessary for pre-sale oil and gas lease or gas only lease analyses under AS 38.05.180;

(25) [(26)] contracts for village public safety officers;

(26) [(27)] purchases of supplies and services to support the operations of the Alaska state troopers or law enforcement officers engaged in fish and wildlife protection if the procurement officer for the Department of Public Safety makes a written determination that publicity of the purchases would jeopardize the safety of personnel or the success of a covert operation;

(27) [(28)] expenditures when rates are set by law or ordinance;

(28) [(29)] construction of new vessels by the Department of Transportation and Public Facilities for the Alaska marine highway system;

(29) [(30)] contracts entered into with a regional development organization; in this paragraph, "regional development organization" has the meaning given in AS 44.33.895;

(30) [(31)] contracts that are to be performed in an area outside of the country and that require a knowledge of the customs, procedures, rules, or laws of the area;

(31) [(32)] contracts that are between the Department of Law and attorneys who are not employed by the state and that are for the review or prosecution of possible violations of the criminal law of the state in situations where the attorney general concludes that an actual or potential conflict of interest makes it inappropriate for the Department of Law to review or prosecute the possible violations;

(32) [(33)] contracts between the Department of Natural Resources and contractors qualified to evaluate hydrocarbon development, production, transportation, and economics, to assist the commissioner of natural resources in evaluating

1 applications for royalty increases or decreases or other royalty adjustments, and
2 evaluating the related financial and technical data, entered into under AS 38.05.180(j);

3 (33) [(34)] contracts of the Alaska Industrial Development and Export
4 Authority made with the developer of an integrated transportation and port facility
5 owned by the authority;

6 (34) [(35)] procurements of contracts with the media for advertising;

7 (35) [(36)] [REPEALED

8 (37)] contracts between the state medical examiner and a provider of
9 medical services to perform or assist in performing the duties assigned to the state
10 medical examiner in AS 12.65.020;

11 (36) [(38)] contracts between the commissioner of revenue and an
12 independent contractor under AS 43.82.240;

13 (37) [(39)] contracts for a convener under AS 44.62.730 or for a
14 facilitator under AS 44.62.760 related to a negotiated regulation making process under
15 AS 44.62.710 - 44.62.800;

16 (38) [(40)] REPEALED

17 (41)] a tourism marketing contract awarded under AS 44.33.125;

18 (39) [(42)] grants and contracts with qualified entities for services
19 under AS 47.18.330 for the foster care transition program;

20 (40) [(43)] contracts for travel services, including airplane travel, hotel
21 accommodations, and travel agency services, but excluding motor vehicle rentals;

22 (41) [(44)] contracts of the Alaska Commission on Postsecondary
23 Education or the Alaska Student Loan Corporation for the guarantee and disbursing of
24 financial aid money to institutions of postsecondary education under the financial aid
25 programs under ~~AS 14.43.091 - 14.43.890~~ [AS 14.43.091 - 14.43.750] and
26 AS 14.44.025;

27 (42) [(45)] contracts for an arbitration panel to determine whether a
28 project is uneconomic under AS 43.90.240, and contracts for the development of
29 application provisions for licensure and for the evaluation of those applications under
30 AS 43.90;

31 (43) [(46)] contracts for delivery of home heating assistance under

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AS 47.25.626;

(44) [(47)] contracts of the Alaska Pension Obligation Bond Corporation under AS 37.16.010 - 37.16.900.

* Sec. 9. AS 37.14 is amended by adding new sections to read:

Article 8A. Governor's Performance Scholarship Fund.

Sec. 37.14.750. Governor's performance scholarship fund established. (a)

The governor's performance scholarship fund is established as a fund of the state. The fund consists of

- (1) appropriations to the fund;
- (2) donations to the fund; and
- (3) income earned on investments of fund assets.

(b) The commissioner of revenue shall manage the fund with the goal that the purchasing power of the fund will not diminish over time without regard to additional contributions that may be made to the fund. The commissioner shall invest the assets of the fund in a manner likely to yield at least a five percent real rate of return over time.

(c) Nothing in this section creates a dedicated fund.

Sec. 37.14.755. Powers and duties of the commissioner of revenue. In carrying out the investment duties under AS 37.14.750 - 37.14.790, the commissioner of revenue has the powers and duties set out in AS 37.10.071. The commissioner shall provide reports to the Department of Education and Early Development, the Department of Labor and Workforce Development, and the Alaska Commission on Postsecondary Education on the condition and investment performance of the fund.

Sec. 37.14.760. Use of fund. As soon as practicable after July 1 of each year, the commissioner of revenue shall determine the average month-end market value of the fund for the immediately preceding three fiscal years. The commissioner shall identify five percent of that amount as available for appropriation by the legislature for appropriation to the governor's performance scholarship fund income account created under AS 14.43.845 from which the Alaska Commission on Postsecondary Education may award scholarships under AS 14.43.810 - 14.43.890. The commissioner shall also report as available for appropriation a running total of amounts previously identified

1 as available for appropriation to the governor's performance scholarship fund income
2 account but not appropriated.

3 **Sec. 37.14.790. Definitions.** In AS 37.14.750 - 37.14.790, unless the context
4 requires otherwise,

5 (1) "commissioner" means the commissioner of revenue;

6 (2) "fund" means the governor's performance scholarship fund
7 established in AS 37.14.750(a).

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

10 **TRANSITION: PROGRAM STANDARDS AND IMPLEMENTATION FOR**
11 **INITIAL SCHOOL YEARS.** Notwithstanding any contrary provision of this Act, the
12 Department of Education and Early Development and the Department of Labor and
13 Workforce Development, after consultation with the Alaska Commission on Postsecondary
14 Education, may adopt regulations under AS 44.62 to implement their respective duties under
15 the governor's performance scholarship program established in AS 14.43.810, enacted by sec.
16 5 of this Act, so that a student

17 (1) may be eligible for the program even though the student did not fully meet
18 the required core academic curriculum for the school years beginning July 1, 2010, through
19 June 30, 2013; and

20 (2) who graduated from high school in this state after June 30, 2010, and
21 before July 1, 2011, and meets eligibility requirements for the program may apply for a
22 scholarship beginning July 1, 2011.

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

25 **TRANSITION: REGULATIONS.** The Department of Education and Early
26 Development, the Department of Labor and Workforce Development, and the Alaska
27 Commission on Postsecondary Education may proceed to adopt regulations necessary to
28 implement changes made to their respective authorities by this Act. The regulations take
29 effect under AS 44.62 (Administrative Procedure Act), but not before September 1, 2010.

30 * **Sec. 12.** Section 11 of this Act takes effect immediately under AS 01.10.070(c).

31 * **Sec. 13.** Except as provided in sec. 12 of this Act, this Act takes effect September 1, 2010.

Points for Consideration – Refined CS Creation

Possibly Contentious:

1) Intent Language

- a. Memo of intention
- b. Leave out

- The reason for taking it out is that intent language does not, properly speaking, belong in statute. It is better to come along side the bill in a memo of intent.
- The reason for leaving it in is that it is important to the essential nature of the bill.

2) "Career and Technical" track

- a. Reinsert as in original
- b. Keep a one scholarship program
- c. Add phrase that allows department to set minimum and maximum standards for scholarships; academic must meet maximums

- By leaving it as one scholarship, the career students have equal access to the program, and are encouraged to both take the rigorous course curriculum and do well in it.
- By reinserting a separate track the department is allowed to establish standards that apply only to students who are in that particular track.
- By adding an amendment along the lines of (c) the department can set up different standards, but the scholarships are essentially the same.

3) "\$3000 per year" cap on career/tech awards

- a. Equality between scholarships
- b. \$3000 cap on career—dependent on reestablishing the career track

- Without the \$3,000 cap, students would receive equal scholarships, and would have an incentive to get higher grades. With a \$3,000 cap there is no reason for a student to try to get more than a C+.
- Most career or trade schools are shorter programs, and can be less expensive than academic programs.

4) "6 month" proviso

- a. Reinsert proviso
- b. Change time frame
- c. Leave as is

- According to the administration, the proviso merely keeps students from applying for the scholarship prematurely. A student could not apply for the program early.
- The six months may not be a long enough time, especially if a student wants to apply as a junior. It could be changed to a year.
- There is no reason to have a limit on when a student can apply.

5) Re-insert "6 years" scholarship time to termination

- a. Leave open
- b. Ten years
- c. Six years to start, plus another six to finish.

- The department makes the case that the longer a student puts off admission to college, the less likely that student is to graduate, hence the desire to get them in a school as quickly as possible.
- There should be some leeway for students who, for whatever valid reason, is not able to attend school right away. Possible reasons could be military service, unexpected family issues, or medical issues.
- The bill should allow for any student who qualifies to use the scholarship regardless of time frames.

6) Re-insert "8 semester" max

- a. Leave at 12
- b. Reinsert 8
- c. Amend to "equivalent of 8 full time semesters"

- Many students are not able to graduate in eight semesters, due to no fault of their own. The course requirements may not line up, or they may have to work, and therefore only go part time. Currently the practice is measure graduation after six years, so it would make sense to peg the duration of the scholarship for six years as well.
- Eight full time semesters is the theoretical standard for graduation. The scholarship should have limits, and should encourage students to get in and out in eight semesters.
- There are circumstances where students must either go part time, or cannot get the prerequisite courses they need for later courses. In these cases the students can elect part time study, with the corresponding part time scholarship payment, but can still have the equivalent of eight semesters to graduate. While it might take them 12 calendar semesters to graduate, those would have to be equal to eight full time semesters of courses.

7) Specify "15 credit hours" or dollar figure for clarification of award value

- a. The average cost of 15 credit hours (with a mix of upper and lower division courses) pegged at UA tuition in 2010-2011 school year.
- b. Peg the amount at a dollar amount instead of a tuition rate, specifically \$4755

- The bill provides for tuition, so to peg it a tuition rate would be a natural way to express the amount.
- The amount paid is capped, and will not rise as tuition rates rise, and so in a short time would not cover 100 percent of tuition. Instead of advertising a tuition scholarship, make it a flat dollar amount, so future students would not think it is a tuition scholarship.

8) "Half-time" awards

- a. Offered pro rata**
- b. Capped at 50 percent**
- Since half-time attendance is anywhere between six and eleven credits, those students taking the upper end (11 credits) would only be getting a scholarship to pay for 7.5 credits.
- Half time attendance, no matter how many courses, should receive only a half time award.

9) "Non-traditional student" amendments

There are a high number of non-traditional students, who are possibly not covered by this program. If the goal is to increase college and career school graduation rates, then the workings of the bill should reflect this goal.

The bill is a reform bill aimed at preparing students for higher learning, and cannot be all things to all people. The qualifications are all based on high school performance, and that is to get high schools to raise their academic standards. Non-traditional students do need help, but this is not the vehicle to help them.

10) The List

11) Program Name

- a. Retain original name—Governor's Performance Scholarship**
- b. New name – Alaska Student Achievement Program (ASAP).**
- c. North to the Future Scholars (NTFS)**
- d. Alaska Achievement**

Non-Contentious:

- 1) Strike Section 4
- 2) Page 9, line 14 - delete "department" and replace with "commission" (ACPE)
- 3) Specify "UA tuition" as peg
- 4) Benchmark tuition to UA 2010/2011
- 5) Re-insert definitions of "department", "commission" and "Commissioner"
- 6) Page 20, line 23 – replace "guarantee" with "servicing"
- 7) Direct Leg. Legal to standardize terms regarding "grades", "achievement" and performance
- 8) Page 8, line 1 – strike "all high schools" language
- 9) Letter of Intent: a) Add "complete college/career tech as goal"
b) Re-order for higher ed completion/career readiness focus

*Increase tuition
waivers--*

DRAFT

26G-2
(2/10/2010)
(1:14 pm)

AMENDMENT #2

Foster Kids

OFFERED IN THE HOUSE EDUCATION

BY _____

COMMITTEE

TO: HB 297

1 Page 5, line 28:

2 Delete "grade-point"

3 Insert "grade"

4

5 Page 5, line 30, following "scholarship;":

6 Insert "the top tier is the A average tier, the second tier is the B average tier, and
7 the third tier is the C plus average tier; the grade-point average for the A average tier is
8 3.5 or higher, for the B average tier is less than 3.5 but no less than 3.0, and for the C plus
9 average tier is less than 3.0 but no less than 2.5; the board shall set by regulation
10 minimum requirements based on a substantially similar standard for districts that do not
11 assign grades;

12

13 Page 6, following line 2:

14 Insert "(4) a process by which a student who meets the grade standards in (2) of
15 this subsection for a particular tier, but does not meet the minimum scores established
16 under (3) of this subsection for that tier, may apply for a lower tier scholarship;"

17

18 Page 6, line 3:

19 Delete "(4)"

20 Insert "(5)"

21

1 Page 6, line 5:

2 Delete "(5)"

3 Insert "(6)"

4

5 Page 6, line 7:

6 Delete "(6)"

7 Insert "(7)"

8

9 Page 6, line 23:

10 Delete "grade-point"

11 Insert "grade"

12

13 Page 6, line 24, following "school;":

14 Insert "the minimum is C plus average; the C plus average requirement is a grade-point
15 average of 2.5 or higher; the board shall set by regulation minimum requirements based on a
16 substantially similar standard for districts that do not assign grades;"

AMENDMENT # 1

OFFERED IN THE HOUSE EDUCATION

BY _____

COMMITTEE

TO: HB 297

1 Page 1, line 9, following "award of a":

2 Insert "merit-based"

3

4 Page 3, line 17, following "academic scholarship":

5 Delete "and"

6 Insert ",,"

7

8 Page 3, line 17, following "school scholarship":

9 Insert "and a needs-based scholarship"

10

11 Page 7, line 5, following "awards for the":

12 Delete "program"

13 Insert "merit-based programs"

14

15 Page 8, following line 3:

16 Insert:

17 "Sec. 14.43.828. Eligibility for a needs-based scholarship and maximum

18 awards. (a) Subject to appropriation, the commission shall award a needs-based

19 scholarship to a student who meets the eligibility criteria for the award.

20 (b) A student is eligible to receive a needs-based scholarship if the student

21 (1) is eligible for a merit-based academic scholarship or a merit-based

1 career and technical school scholarship; and

2 (2) can demonstrate in a year in which the student receives a scholarship
3 that the student has unmet financial need greater than \$2,000.

4 (c) The maximum amount for the needs-based award is 50 percent of unmet
5 financial need greater than \$2,000.

6 (d) The qualified postsecondary institution attended by the student shall
7 determine unmet financial need by subtracting from the student's allowable standard costs
8 of attendance at the institution all non-loan sources of financial support, including an
9 expected family contribution and all federal, state, and private scholarships or grants
10 received by the student.

11 (e) In this section,

12 (1) "allowable standard costs of attendance" means

13 (A) for a student who receives a merit-based academic
14 scholarship, the lesser of the

15 (i) standard costs of attendance at the University of Alaska,
16 as determined by the commission; or

17 (ii) actual costs of attendance at the qualified
18 postsecondary institution that the student attends or plans to attend, as
19 determined by the commission;

20 (B) for a student who receives a merit-based career and technical
21 school scholarship, the costs of attendance at the qualified postsecondary
22 institution that the student attends or plans to attend, as determined by the
23 commission based on room and board costs that do not exceed the standard room
24 and board costs at the University of Alaska as determined by the commission;

25 (2) "expected family contribution" means the amount a student or the
26 student's family is expected to pay towards the student's costs of attendance, as
27 determined by use of the most recent federal Free Application for Federal Student Aid."

Amendment A

A1 - Page 7, lines 16-31,

A2 - Page 9 Lines 4-15 to read:

(1) the four year core academic curriculum, which may include virtual curriculum, that the student must have completed in high school; the core academic curriculum must include:

(A)

- (i) four years of mathematics;
- (ii) four years of language arts;
- (iii) four years of science; and
- (iv) three years of social studies, one year of which may include a foreign language, ~~or~~ an Alaskan Native language, fine arts or cultural heritage; or

(B)

- (i) three years of mathematics;
- (ii) four years of language arts
- (iii) three years of science
- (iv) four years of social studies; and
- (v) two years of a foreign language or Alaska Native Language;

Amendment **B**

Page 11, Lines 19-22;

(c) The maximum amount for a needs-based performance scholarship for a student who is enrolled

- (1) not less than **full** time, is 50 percent of the unmet financial need that exceeds \$2,000;
and
- (2) less than **full** time **but not less than half time**, is 25 percent of the unmet financial need that exceeds \$2,000.

Amendment C

Pages 11-12, Lines 28-31 and 1-3, replace (e) (1) to read:

(e) In this section,

(1) “allowable standard costs of attendance” means for a student who receives a merit-based performance scholarship, the **lesser of (A) standard** costs of attendance at the University of Alaska, as determined by the commission; **or (B) actual costs of attendance at the qualified postsecondary institution that the student attends or plans to attend, as determined by the commission;**

Amendment **D**

Page 22, lines 10-11;

- (2) who graduated from high school in this state after January 1, 2010 and before July 1, 2011 and meets eligibility requirements for the program may apply for a scholarship **on or after January 1, 2011 for enrollment in a program of study beginning on or after July 1, 2011.**

Conceptual Amendment

Page 6, lines 12- 17 to read: B) graduated, or will graduate not later than six months after the date of the application, from a high school outside of the state under circumstances allowed by the department; for purposes of this subparagraph, allowable circumstances include a circumstance in which a high school student who is an Alaska resident has **attended high school in the state and has** left the state because of the military service of the student's custodial parent who is an Alaska resident;

Page 6, lines 18-22 to read: (3) will receive and use, **while an Alaska resident**, the scholarship at a qualified postsecondary institution in the state not later than six years after the beginning of the first school year after a student's graduation from high school, unless the student qualifies for an extension of time allowed by the department; for purposes of this paragraph, standards for extension of time must include time **not more than two additional years** while the student is in military service; and

Conceptual Amendment

Page 7, lines 16-31, page 9 Lines 4-15 to read: (1) the four year core academic curriculum, which may include virtual curriculum, that the student must have completed in high school; the core academic curriculum must include ~~one of the following~~

~~(A) a combination of~~

- (i) four years of mathematics;
- (ii) four years of language arts;
- (iii) four years of science; and
- (iv) three years of social studies, one year of which may include a foreign language, or an Alaskan Native language;

~~(B) a combination of~~

- (i) three years of mathematics;
- (ii) four years of language arts
- (iii) three years of science
- (iv) four years of social studies; and
- (v) two years of a foreign language or Alaska Native Language;

Conceptual Amendment

Pages 11-12, Lines 28-31 and 1-3, replace (e) (1) to read: (e) In this section, (1) “allowable standard costs of attendance” means for a student who receives a merit-based performance scholarship, the lesser of (A) standard costs of attendance at a qualified post secondary institution that the student plans to attend the University of Alaska, as determined by the commission based on room and board cost that do not exceed the standard room and board costs at the University of Alaska as determined by the commission; or (B) actual costs of attendance at the qualified postsecondary institution that the student attends or plans to attend, as determined by the commission;

Conceptual Amendment

Page 11, Lines 19-22, (c) The maximum amount for a needs-based performance scholarship for a student who is enrolled

- (1) not less than full-time, is 50 percent of the unmet financial need that exceeds \$2,000; and (2) less than full time but not less than half time, is 25 percent of the unmet financial need that exceeds \$2,000.

Conceptual Amendment

Page 22, lines 10-11; “...and meets eligibility requirements may apply for a scholarship on or after January 1, 2011 for enrollment in a program of study beginning on or after July 1, 2011.”

Changes in CS SB 224 P

Page 6, line 9, 12; added “not later than six months:

Page 6, line 18-22; The six year clause.

Page 7, line 6; replaces “department” with “commission”.

Page 7, line 11, 12; first of many changes that adds the Career scholarship back in. Here it is just the insertion of the phrase “academic”. (I will not refer to every instance of this change.)

Page 8, 3-5; cleaning up the language about the three tiers.

Page 8, line 26—page 9, line 31; Reinsertion of Career track

- a) The curriculum is the same as for both tracks
- b) There are no tiers for the career track, just a minimum of a C+ average.
- c) Either “college entrance exam” (SAT/ACT) or “standardized examination...selected by the department” (Work Keys?)

Page 10, lines 4-18; Three tiers redefined-

- a) “approved tuition at the University of Alaska in school year 2010-2011”
- b) Minimum test scores on college entrance exam

Page 10, lines 23-24; Redefines the rate for part time students from “pro rata” to 50 percent.

Page 10, lines 25-27; Six year termination—does not specifically include military exemption. “The department shall recognize the student’s military service in making allowances under this sub-section.”

Page 10, line 29; Twelve semesters backed down to eight.

Page 10, line 31—page 11, line 3; Career scholarship limited to two years. A student may not receive a career and an academic scholarship.

Page 11, lines 17-22; limits needs based scholarship to part time for part time students. (Diane Barrans has request for change of language here.)

Page 20, lines 12-15; allows ACPE to service the loans.

Page 22, line 9; changes eligibility date from September 1, 2010 to January 1, 2010.

DRAFT FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB224
 () Publish Date: _____

Identifier (file name): CSSB224(EDC)-EED-ACPE-03-19-10 Dept. Affected: Education
 Title An Act establishing the governor's performance scholarship RDU ACPE
program and relating to the program; establishing the... Component Program Administration and
 Sponsor Rules 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 | 376.3 | | | | | | |
| Supplies | | | | | | | |
| Equipment | | | | | | | |
| Land & Structures | | | | | | | |
| Grants & Claims | | | 25,341.6 | 33,976.0 | 39,910.9 | 40,106.6 | 37,169.6 |
| Miscellaneous | | | | | | | |
| TOTAL OPERATING | 376.3 | 0.0 | 25,341.6 | 33,976.0 | 39,910.9 | 40,106.6 | 37,169.6 |

| | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|

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

FUND SOURCE (Thousands of Dollars)

| | | | | | | | |
|----------------------------|--------------|------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1002 Federal Receipts | | | | | | | |
| 1003 GF Match | | | | | | | |
| 1004 GF | 376.3 | | 25,341.6 | 33,976.0 | 39,910.9 | 40,106.6 | 37,169.6 |
| 1005 GF/Program Receipts | | | | | | | |
| 1037 GF/Mental Health | | | | | | | |
| Other Interagency Receipts | | | | | | | |
| TOTAL | 376.3 | 0.0 | 25,341.6 | 33,976.0 | 39,910.9 | 40,106.6 | 37,169.6 |

Estimate of any current year (FY2010) cost: _____

POSITIONS

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

ANALYSIS: (Attach a separate page if necessary)

The contractual funds noted above represent the cost of implementation and year one support for scholarship management software.

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 we have had a higher percentage of students who do continue on attend in Alaska.
- 3) Maximum GPS award at highest performance level is based upon the University of Alaska tuition for the 2010-11 school year (\$4,755).

Prepared by: Diane Barrans, Executive Director Phone 465-6740
 Division Alaska Commission on Postsecondary Education Date/Time 3/19/10 2:30 PM
 Approved by: Diane Barrans, Executive Director Date 3/19/2010
Alaska Commission on Postsecondary Education

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: CSSB224
() Publish Date: _____

Identifier (file name): CSSB224-EED-TLS-3-19-10 Dept. Affected: Education
Title "An Act establishing the governor's performance scholarship..." RDU Teaching & Learning Support
Component School & Student Achievement
Sponsor Rules at the request of the Governor
Requester Senate Education 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 | 30.0 | | | | | | | |
| Equipment | | | | | | | | |
| Land & Structures | | | | | | | | |
| Grants & Claims | | | | | | | | |
| Miscellaneous | | | | | | | | |
| TOTAL OPERATING | 117.3 | 0.0 | 87.3 | 87.3 | 87.3 | 87.3 | 87.3 | 87.3 |

| | | | | | | | | |
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| CAPITAL EXPENDITURES | | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|--|

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

FUND SOURCE (Thousands of Dollars)

| | | | | | | | | |
|----------------------------|--------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 1002 Federal Receipts | | | | | | | | |
| 1003 GF Match | | | | | | | | |
| 1004 GF | 117.3 | | 87.3 | 87.3 | 87.3 | 87.3 | 87.3 | 87.3 |
| 1005 GF/Program Receipts | | | | | | | | |
| 1037 GF/Mental Health | | | | | | | | |
| Other Interagency Receipts | | | | | | | | |
| TOTAL | 117.3 | 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, furniture, etc.) at \$30,000 = \$117,306

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

Phone 465-8679
Date/Time 3/19/10 12:00 AM
Date 3/19/2010

CS FOR SENATE BILL NO. 174(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATOR MENARD

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the Alaska scholars program administered by the Board of Regents**
 2 **of the University of Alaska and to scholarship information; repealing provisions related**
 3 **to University of Alaska scholarships; relating to the AlaskAdvantage Education Grant**
 4 **Program; and relating to professional student exchange program availability; and**
 5 **relating to exemptions from the conditions for loan repayment under the medical**
 6 **education program."**

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

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

9 **Sec. 14.43.011. Creation of the Alaska scholars program.** The Alaska
 10 scholars program is created as a scholarship program to be administered by the Board
 11 of Regents of the University of Alaska.

12 **Sec. 14.43.021. Scholarship eligibility.** (a) To be eligible for a scholarship
 13 from the Alaska scholars program, a student shall

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

3 (2) be academically ranked in the top 15 percent of the student's
4 secondary class at the end of the student's junior year as determined by each qualified
5 high school in the state.

6 (b) To receive a scholarship disbursement from the Alaska scholars program,
7 the student shall

8 (1) have a high school diploma from a qualified high school in the
9 state;

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

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

14 (c) To maintain eligibility for a scholarship disbursement under AS 14.43.026,
15 the student shall

16 (1) successfully complete at least 12 credit hours of courses of the
17 University of Alaska each semester;

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

20 (3) be making progress toward completion of a certificate or degree
21 program.

22 **Sec. 14.43.026. Scholarship award.** (a) The president of the University of
23 Alaska shall award to an eligible student under the Alaska scholars program a
24 scholarship of

25 (1) 100 percent of the cost of 15 credit hours of regular tuition at the
26 University of Alaska for a student who is in the top five percent of the student's
27 secondary class;

28 (2) 75 percent of the cost of 15 credit hours of regular tuition at the
29 University of Alaska for a student who is below the top five percent and in the top 10
30 percent of the student's secondary class;

31 (3) 50 percent of the cost of 15 credit hours of regular tuition at the

1 University of Alaska for a student who is below the top 10 percent and in the top 15
2 percent of the student's secondary class.

3 (b) Disbursements under this section may not be made for more than eight
4 semesters or for enrollment commencing more than five years after initial enrollment
5 at the University of Alaska.

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

9 (d) The board of regents may adjust the amount of the scholarship award and
10 disbursement to reflect changes in the cost of education or the amount of funding
11 provided by the state.

12 **Sec. 14.43.031. Financing; administration.** (a) The Alaska scholars program
13 account is established, to be administered by the board of regents. The Alaska scholars
14 program is financed from the account. The account consists of money appropriated to
15 the account by the legislature, which may include appropriations from the endowment
16 trust fund established under AS 14.40.400, from income and earnings of the account,
17 and from any other source. Appropriations to the account do not lapse.

18 (b) The board of regents shall provide not less than \$3,800,000 annually to
19 contribute to the awards provided under AS 14.43.026(a).

20 (c) The board of regents shall make information about the scholarship
21 program available in each school district in the state and at each campus of the
22 University of Alaska.

23 (d) The board of regents may adopt rules, orders, and plans to implement
24 AS 14.43.011 - 14.43.049. The rules may include provisions for discretionary
25 eligibility consideration and leaves of absence that are consistent with the purposes of
26 the Alaska scholars program.

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

28 (1) "accredited" means a school that has been accredited by the
29 Northwest Association of Accredited Schools;

30 (2) "board of regents" means the Board of Regents of the University of
31 Alaska;

1 (3) "department" means the Department of Education and Early
2 Development;

3 (4) "qualified high school" means a public or private secondary school
4 located in the state that is authorized by the department to issue a diploma and that is
5 accredited by the Northwest Association of Schools and Colleges or registered with
6 the department;

7 (5) "scholarship program" means the Alaska scholars program.

8 * Sec. 2. AS 14.43.410 is amended by adding a new subsection to read:

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

16 * Sec. 3. AS 14.43.415(a) is amended to read:

17 (a) For an applicant to be eligible for a grant under AS 14.43.400 - 14.43.420,
18 the applicant must be

19 (1) a resident of this state;

20 (2) enrolled or about to be enrolled

21 (A) at an institution [APPROVED TO PARTICIPATE IN
22 FEDERAL FINANCIAL AID PROGRAMS UNDER 20 U.S.C. 1070 - 1099c-
23 2, AS AMENDED,] located in this state that

24 (i) is approved to participate in federal financial aid
25 programs under 20 U.S.C. 1070 - 1099c-2, as amended; or

26 (ii) has been included on a list of certified career and
27 technical school programs approved and published by the
28 Department of Labor and Workforce Development; and

29 (B) on at least a half-time basis; and

30 (3) able to demonstrate financial need in accordance with standards for
31 determining financial need established by the commission under 20 U.S.C. 1070c-2, as

1 amended.

2 * Sec. 4. AS 14.43.415(b) is repealed and reenacted to read:

3 (b) The commission shall give an applicant eligible under (a) of this section
4 priority for a grant award if that applicant is, or is about to be, enrolled in a
5 postsecondary education program that prepares the applicant for employment in an
6 occupation or profession for which there is a severe shortage of trained individuals in
7 the state. In this subsection,

8 (1) "occupation or profession" means a job for which specific
9 postsecondary certification is a prerequisite for entry-level placement;

10 (2) "severe shortage" means a current or recurring job vacancy rate of
11 15 percent or greater, as determined by the Department of Labor and Workforce
12 Development or by another workforce data source determined reliable by the
13 commission.

14 * Sec. 5. AS 14.43.420(a) is amended to read:

15 (a) A grant made under AS 14.43.400 - 14.43.420 may not be in an amount
16 less than \$1,000 [\$500] nor more than \$5,000 [\$2,000] for each school year.

17 * Sec. 6. AS 14.43.420(c) is amended to read:

18 (c) A student may receive not more than a total of \$20,000 [\$8,000] in grants
19 awarded under AS 14.43.400 - 14.43.420.

20 * Sec. 7. AS 14.43.510(g) is amended to read:

21 (g) This section does not apply to scholarships received by a person under
22 AS 14.43.011 - 14.43.049 or 14.43.050 - 14.43.075, to free tuition and fees at a
23 state-supported educational institution authorized by AS 14.43.085, or to loans
24 received by a person under AS 14.43.091 - 14.43.160 [AS 14.43.010 - 14.43.160] or
25 14.43.710 - 14.43.750.

26 * Sec. 8. AS 14.43.930(b) is amended to read:

27 (b) By October 1 [SEPTEMBER 15] before each annual graduation, a
28 qualified high school in the state with a high school graduating class shall provide

29 (1) to the board a list of the names, dates of birth, telephone
30 numbers, and addresses of students in the graduating class who meet scholarship
31 eligibility requirements for each scholarship program; and

1 (2) a notice of eligibility for the scholarship program to those students
2 on the list prepared under (1) of this subsection.

3 * **Sec. 9.** AS 14.43.930(e) is amended to read:

4 (e) In this section,

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

6 (2) "qualified high school" has the meaning given in AS 14.43.049
7 [MEANS A PUBLIC HIGH SCHOOL, A HIGH SCHOOL ACCREDITED BY THE
8 NORTHWEST ASSOCIATION OF SCHOOLS AND COLLEGES, OR A HIGH
9 SCHOOL REGISTERED WITH THE DEPARTMENT].

10 * **Sec. 10.** AS 14.44.025 is amended by adding a new subsection to read:

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

15 (1) dentistry;

16 (2) optometry; and

17 (3) pharmacy.

18 * **Sec. 11.** AS 14.43.010, 14.43.015, 14.43.020, 14.43.025, and 14.43.030 are repealed.

19 * **Sec. 12.** The uncodified law of the State of Alaska is amended by adding a new section to
20 read:

21 **APPLICABILITY.** Section 1 of this Act applies to students who were in their senior
22 year of high school of a public or accredited school in the state with a high school graduating
23 class in the 2009 - 2010 or a subsequent school year.

24 * **Sec. 13.** The uncodified law of the State of Alaska is amended by adding a new section to
25 read:

26 **REVISOR'S INSTRUCTION.** The revisor of statutes is instructed to change the
27 heading of art. 1 of AS 14.43 from the "University of Alaska Scholarships for High School
28 Graduates" to "Alaska Scholars Program."

26-GS2771\ND
Mischel
4/12/10

CS FOR SENATE BILL NO. 224()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

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

A BILL
FOR AN ACT ENTITLED

1 **"An Act establishing the Alaska student achievement program and relating to the**
2 **program; relating to student records; making conforming amendments; establishing a**
3 **Joint Legislative Higher Education Scholarship Funding Task Force; and providing for**
4 **an effective date."**

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

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

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

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

1 (e) The commission may

2 (1) adopt regulations under AS 44.62 (Administrative Procedure Act)

3 to

4 (A) carry out the purposes of

5 (i) AS 14.43.091 - 14.43.850 [AS 14.43.091 -
6 14.43.750], 14.43.990, AS 14.44, and AS 14.48; and

7 (ii) AS 14.43.910 and 14.43.920 as they relate to the
8 purposes of AS 14.43.091 - 14.43.850 [AS 14.43.091 - 14.43.750],
9 14.43.990, AS 14.44, and AS 14.48;

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

14 (C) establish standards for the

15 (i) administration of hearings conducted under
16 AS 14.43.153; and

17 (ii) administrative enforcement of collection orders
18 under AS 14.43.151 - 14.43.155;

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

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

27 (4) contract with or use existing institutions of postsecondary
28 education or other individuals or organizations to make studies, conduct surveys,
29 submit recommendations, or otherwise contribute to the work of the commission;

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

31 (A) requests approval for participation in the programs under

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AS 14.43.091 - 14.43.750, 14.43.990, and AS 14.44; and

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

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

* Sec. 3. AS 14.43 is amended by adding new sections to read:

Article 11A. Alaska Student Achievement Program.

Sec. 14.43.810. Alaska student achievement program established; regulations. (a) The Alaska student achievement program is established to provide scholarships for high school graduates who are Alaska residents to attend a qualified postsecondary institution in the state.

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

Sec. 14.43.820. Eligibility for an Alaska student achievement program scholarship. (a) Subject to appropriation, the commission shall award an Alaska student achievement program scholarship to an applicant who

- (1) is a resident of the state as defined in AS 01.10.055;
- (2) graduated or will graduate within six months from a high school in the state;
- (3) has completed a core academic curriculum in high school that includes

- (A) a combination of
 - (i) four years of mathematics;
 - (ii) four years of language arts;
 - (iii) four years of science; and

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(iv) four years of social studies, one year of which may include a foreign language, an Alaska Native language, fine arts, or cultural heritage; or

(B) a combination of

- (i) three years of mathematics;
- (ii) four years of language arts;
- (iii) three years of science;
- (iv) four years of social studies; and
- (v) two years of a foreign language or an Alaska Native

language;

(4) has a minimum grade-point average in high school of 2.5 or higher; the department shall set by regulation minimum requirements based on a substantially similar standard for districts that do not assign grades;

(5) has achieved a minimum score on a

(A) college entrance examination; or

(B) standardized examination designed to measure a student's level of preparedness to make the transition to work, as selected by the department; and

(6) is enrolled in good standing at a qualified postsecondary institution in the state in a course of study that is intended to result in the award of a certificate or degree.

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

Sec. 14.43.825. Maximum awards. (a) The commission shall establish in regulation the maximum awards for the Alaska student achievement program scholarships after considering recommendations of the Joint Legislative Higher Education Scholarship Funding Task Force.

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

(c) Scholarships may be awarded to a full-time student or, if a student is

1 enrolled part time, prorated based on the number of credits. In this subsection, "full
2 time" means enrollment in a course of study that is not less than 12 credits and "part
3 time" means enrollment in a course of study that is not less than six credits but less
4 than 12 credits.

5 (d) The amount of a scholarship award may not exceed the amount of the
6 student's costs of attendance as certified by the postsecondary institution for the
7 purposes of federal financial aid, less any other scholarships or non-loan financial aid
8 awarded to the student.

9 (e) Payment of a scholarship is subject to appropriation. If insufficient funds
10 are appropriated to pay all eligible scholarships, the commission shall pay existing
11 awards on a pro rata basis.

12 **Sec. 14.43.830. Qualified postsecondary institutions.** (a) The following
13 institutions are qualified postsecondary institutions for purposes of awarding an
14 Alaska student achievement program scholarship:

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

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

18 (B) accredited by a regional accreditation association;

19 (2) a career and technical school program physically located in the
20 state that has been included on a list of certified career and technical school programs
21 received from the Department of Labor and Workforce Development; the commission
22 shall publish the list on or before June 30 of the year preceding enrollment.

23 (b) The Department of Labor and Workforce Development shall, in
24 consultation with the Department of Education and Early Development, adopt
25 regulations under AS 44.62 (Administrative Procedure Act) establishing criteria under
26 which the Department of Labor and Workforce Development shall certify career and
27 technical school programs in the state as eligible to participate in the Alaska student
28 achievement scholarship program.

29 **Sec. 14.43.840. Report to the legislature.** (a) To the extent permitted under
30 law, the department, the commission, the University of Alaska, and the Department of
31 Labor and Workforce Development shall share data necessary to prepare public

1 reports regarding the program.

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

7 (1) the number of applicants and number and types of scholarships
8 awarded;

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

11 (3) data and trends in the data regarding high school and postsecondary
12 student performance, programmatic changes, and retention and graduation rates over
13 time.

14 **Sec. 14.43.850. Definitions.** In AS 14.43.810 - 14.43.850, unless the context
15 requires otherwise,

16 (1) "department" means the Department of Education and Early
17 Development;

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

21 (3) "high school" means a public or accredited secondary school in the
22 state and a home school program that is approved by the department;

23 (4) "program" means the Alaska student achievement program
24 established under AS 14.43.810 - 14.43.850;

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

27 * **Sec. 4.** AS 14.45.130(a) is amended to read:

28 (a) A religious or other private school that elects to comply with AS 14.45.100
29 - 14.45.130 shall maintain permanent student records reflecting immunizations,
30 physical examinations, standardized testing, academic achievement, [AND] courses
31 taken at the school, and level of eligibility for an Alaska student achievement

1 **scholarship under AS 14.43.810 - 14.43.850.**

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

4 TRANSITION: PROGRAM STANDARDS AND IMPLEMENTATION FOR
5 INITIAL SCHOOL YEARS. Notwithstanding any contrary provision of this Act, the
6 Department of Education and Early Development and the Department of Labor and
7 Workforce Development, after consultation with the Alaska Commission on Postsecondary
8 Education, may adopt regulations under AS 44.62 (Administrative Procedure Act) to
9 implement their respective duties under the Alaska student achievement program established
10 in AS 14.43.810, enacted by sec. 3 of this Act, so that a student

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

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

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

20 TRANSITION: REGULATIONS. The Department of Education and Early
21 Development, the Department of Labor and Workforce Development, and the Alaska
22 Commission on Postsecondary Education may proceed to adopt regulations necessary to
23 implement changes made to their respective authorities by this Act. The regulations take
24 effect under AS 44.62 (Administrative Procedure Act), but not before September 1, 2010.

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

27 JOINT LEGISLATIVE HIGHER EDUCATION SCHOLARSHIP FUNDING TASK
28 FORCE. (a) The legislature finds that

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

31 (2) at 22.4 percent, Alaska ranks last in the nation for first-time full-time

1 bachelor degree-seeking students who complete their degrees within six years;

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

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

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

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

11 (7) establishing a state scholarship program to improve access to student
12 financial aid requires a more thorough examination by the legislature.

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

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

17 (1) recommending award levels for the Alaska student achievement program
18 under AS 14.43.825(a);

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

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

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

24 (d) The task force consists of 11 members, as follows:

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

26 (2) five members of the house of representatives appointed by the speaker of
27 the house of representatives; and

28 (3) one member appointed by the governor.

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

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

1 (g) The task force shall submit a report of its findings and proposed legislative
2 changes to the governor and the legislature by December 1, 2010, and may make any
3 additional reports it considers advisable.

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

6 * Sec. 8. Sections 6 and 7 of this Act take effect immediately under AS 01.10.070(c).

7 * Sec. 9. Except as provided in sec. 8 of this Act, this Act takes effect September 1, 2010.

Governor's Proposed Amendment

DRAFT
C+ Level

| <i>Current in SB 224</i> | A Level | | | B Level | | | C+ Level | | |
|------------------------------|----------------|---------------|---------------|----------------|--------------|--------------|-----------------|--------------|--------------|
| | UAA | UAF | UAS | UAA | UAF | UAS | UAA | UAF | UAS |
| Annual Attendance Cost | 19,035.00 | 17,483 | 15,838 | 19,035.00 | 17,483.00 | 15,838.00 | 19,035.00 | 17,483.00 | 15,838.00 |
| Pell Grant | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 |
| Current Scholarship | 4,755 | 4,755 | 4,755 | 3,566 | 3,566 | 3,566 | 2,378 | 2,378 | 2,378 |
| Total Grants | 10,105 | 10,105 | 10,105 | 8,916 | 8,916 | 8,916 | 7,728 | 7,728 | 7,728 |
| Remaining need | 8,930 | 7,378 | 5,733 | 10,119 | 8,567 | 6,922 | 11,307 | 9,755 | 8,110 |
| Current Amendment | | | | | | | | | |
| Required contribution | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) |
| Eligible Base | 6,930 | 5,378 | 3,733 | 8,119 | 6,567 | 4,922 | 9,307 | 7,755 | 6,110 |
| State Aid (Need) | 3465 | 2689 | 1866.5 | 4059.5 | 3283.5 | 2461 | 4653.5 | 3877.5 | 3055 |
| Total State Aid Money | 8,220 | 7,444 | 6,622 | 7,626 | 6,850 | 6,027 | 7,032 | 6,256 | 5,433 |
| Final unmet need | 5,465 | 4,689 | 3,867 | 6,060 | 5,284 | 4,461 | 6,654 | 5,878 | 5,055 |

Assumptions The student has full financial need

Annual cost of Attendance Figure derived from UA admissions office based on entering Freshman living on campus

Pell Grant Pell Grant is set at the maximum for the year 2009-2010. Pell

Current Scholarship Award under the current governor's program

Total Grants Total Grants equals the Pell plus the scholarship.

Remaining need This is what is left to pay of the annual cost after subtracting the monies for grants and scholarships

Current Amendment Everything below this is what is proposed in the amendments sent to the house on 2/15/10

Required contribution Works like a deductible; would be work study, loans, summer job, PFD, etc.

Eligible Base The base figure used to determine the needs award. It is the remaining need, minus \$2,000

State Aid Fifty percent of the eligibility base.

Final unmet need What the student would have pay, including remaining need after the state award and the required \$2,000

Governor's Proposed Amendment (With UA scholarship)

DRAFT
Of Level

| <i>Current in SB 224</i> | A Level | | | B Level | | | C Level | | |
|------------------------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | UAA | UAF | UAS | UAA | UAF | UAS | UAA | UAF | UAS |
| Annual Attendance Cost | 19,035.00 | 17,483 | 15,838 | 19,035.00 | 17,483.00 | 15,838.00 | 19,035.00 | 17,483.00 | 15,838.00 |
| Pell Grant | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 |
| Alaska Scholar | 2,750 | 2,750 | 2,750 | | | | | | |
| Current Scholarship | 4,755 | 4,755 | 4,755 | 3,566 | 3,566 | 3,566 | 2,378 | 2,378 | 2,378 |
| Total Grants | 12,855 | 12,855 | 12,855 | 8,916 | 8,916 | 8,916 | 7,728 | 7,728 | 7,728 |
| Remaining need [Ⓢ] | 6,180 | 4,628 | 2,983 | 10,119 | 8,567 | 6,922 | 11,307 | 9,755 | 8,110 |
| Current Amendment | | | | | | | | | |
| Required contribution | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) |
| Eligible Base | 4,180 | 2,628 | 983 | 8,119 | 6,567 | 4,922 | 9,307 | 7,755 | 6,110 |
| State Aid | 2,090 | 1,314 | 492 | 4,060 | 3,284 | 2,461 | 4,654 | 3,878 | 3,055 |
| Total State Aid Money | 6,845 | 6,069 | 5,247 | 7,626 | 6,850 | 6,027 | 7,032 | 6,256 | 5,433 |
| Final unmet need | 4,090 | 3,314 | 2,492 | 6,060 | 5,284 | 4,461 | 6,654 | 5,878 | 5,055 |

| | |
|---------------------------|--|
| Assumptions | The student has full financial need |
| Annual cost of Attendance | Figure derived from UA admissions office based on entering Freshman living on campus |
| Pell Grant | Pell Grant is set at the maximum for the year 2009-2010. Pe |
| Current Scholarship | Award under the current governor's program |
| Total Grants | Total Grants equals the Pell plus the scholarship. |
| Remaining need | This is what is left to pay of the annual cost after subtracting the monies for grants and scholarships |
| Current Amendment | Everything below this is what is proposed in the amendments sent to the house on 2/15/10 |
| Required contribution | Works like a deductible; would be work study, loans, summer job, PFD, etc. |
| Eligible Base | The base figure used to determine the needs award. It is the remaining need, minus \$2,000 |
| State Aid | Fifty percent of the eligibility base. |
| Final unmet need | What the student would have pay, including remaining need after the state award and the required \$2,000 |

UAA OVER TEN YEARS

| 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 20,367 | 21,793 | 23,319 | 24,951 | 26,698 | 28,566 | 30,566 | 32,706 | 34,995 | 37,445 |
| 5,618 | 5,898 | 6,193 | 6,503 | 6,828 | 7,170 | 7,528 | 7,904 | 8,300 | 8,715 |
| 4,755 | 4,755 | 4,755 | 4,755 | 4,755 | 4,755 | 4,755 | 4,755 | 4,755 | 4,755 |
| 10,373 | 10,653 | 10,948 | 11,258 | 11,583 | 11,925 | 12,283 | 12,659 | 13,055 | 13,470 |
| 9,995 | 11,140 | 12,370 | 13,693 | 15,114 | 16,642 | 18,283 | 20,046 | 21,940 | 23,975 |
| (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) |
| 7,995 | 9,140 | 10,370 | 11,693 | 13,114 | 14,642 | 16,283 | 18,046 | 19,940 | 21,975 |
| 3,997 | 4,570 | 5,185 | 5,847 | 6,557 | 7,321 | 8,142 | 9,023 | 9,970 | 10,988 |
| 8,752 | 9,325 | 9,940 | 10,602 | 11,312 | 12,076 | 12,897 | 13,778 | 14,725 | 15,743 |
| 5,997 | 6,570 | 7,185 | 7,847 | 8,557 | 9,321 | 10,142 | 11,023 | 11,970 | 12,988 |

Wyoming Reports

| | | | | |
|-------------------------|-------------|------|------------------------|------|
| Honors | 1630 | 31% | \$ 2,599,685.00 | 39% |
| Performance | 1956 | 37% | \$ 2,296,007.00 | 34% |
| Opportunity | 1235 | 23% | \$ 950,727.00 | 14% |
| Provisional Opportunity | 466 | 9% | \$ 341,403.00 | 5% |
| Total | <u>5287</u> | 100% | <u>\$ 6,684,190.00</u> | 100% |
| Need | <u>588</u> | 11% | <u>\$ 496,368.00</u> | 7% |

DRAFT

"Provisional" is the career grant

UW Cost of Attendance

Less: Estimated Family Contribution (determined by FAFSA)

Less: Hathaway Scholarship merit award per year

Less: Grants and Scholarships awarded to student

Less: \$2,000

= Unmet Need

Qualifying students will receive a percentage of this unmet need based on their eligible scholarship level.

Opportunity

25% of unmet need (Minimum of \$100 / per semester if any unmet need, maximum of \$750 / per semester)

Performance

25% of unmet need (Minimum of \$100 / per semester if any unmet need, maximum of \$750 / per semester)

Honors

100% of unmet need

Proposal with Sliding Scale Needs Based Funding (50 / 40/ 30)

DRAFT

| <i>Current in SB 224</i> | A Level | | | B Level | | | C+ Level | | |
|------------------------------|------------------|---------------|---------------|------------------|------------------|------------------|------------------|------------------|--------------|
| | UAA | UAF | UAS | UAA | UAF | UAS | UAA | UAF | UAS |
| Annual Attendance Cost | 19,035.00 | 17,483 | 15,838 | 19,035.00 | 17,483.00 | 15,838.00 | 19,035.00 | 17,483.00 | 15,838.00 |
| Pell Grant | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 |
| Current Scholarship | 4,755 | 4,755 | 4,755 | 3,566 | 3,566 | 3,566 | 2,378 | 2,378 | 2,378 |
| Total Grants | 10,105 | 10,105 | 10,105 | 8,916 | 8,916 | 8,916 | 7,728 | 7,728 | 7,728 |
| Remaining need | 8,930 | 7,378 | 5,733 | 10,119 | 8,567 | 6,922 | 11,307 | 9,755 | 8,110 |
| Current Amendment | | | | | | | | | |
| Required contribution | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) |
| Eligible Base | 6,930 | 5,378 | 3,733 | 8,119 | 6,567 | 4,922 | 9,307 | 7,755 | 6,110 |
| State Aid | 3,465 | 2,689 | 1,867 | 3,248 | 2,627 | 1,969 | 2,792 | 2,327 | 1,833 |
| Total State Aid Money | 8,220 | 7,444 | 6,622 | 6,814 | 6,193 | 5,535 | 5,170 | 4,705 | 4,211 |
| Final unmet need | 5,465 | 4,689 | 3,867 | 5,248 | 4,627 | 3,969 | 4,792 | 4,327 | 3,833 |

| | |
|---------------------------|--|
| Assumptions | The student has full financial need |
| Annual cost of Attendance | Figure derived from UA admissions office based on entering Freshman living on campus |
| Pell Grant | Pell Grant is set at the maximum for the year 200 |
| Current Scholarship | Award under the current governor's program |
| Total Grants | Total Grants equals the Pell plus the scholarship. |
| Remaining need | This is what is left to pay of the annual cost after subtracting the monies for grants and scholarships |
| Current Amendment | Everything below this is what is proposed in the amendments sent to the house on 2/15/10 |
| Required contribution | Works like a deductible; would be work study, loans, summer job, PFD, etc. |
| Eligible Base | The base figure used to determine the needs award. It is the remaining need, minus \$2,000 |
| State Aid | Fifty percent of the eligibility base. |
| Final unmet need | What the student would have pay, including remaining need after the state award and the required \$2,000 |

26-GS2771VE
Mischel
2/12/10

CS FOR SENATE BILL NO. 224()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

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

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing the governor's scholarship program and relating to the program;**
2 **establishing the governor's scholarship fund and relating to the fund; relating to student**
3 **records; making conforming amendments; and providing for an effective date."**

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

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

6 **Sec. 14.03.113. District determination of scholarship eligibility.** A school
7 district shall determine whether a student who graduates from a high school in the
8 district is eligible for an award of a governor's scholarship under AS 14.43.810 -
9 14.43.890. If a student is eligible, the district shall state in the student's permanent
10 record the scholarship for which the student is eligible. A district shall provide a
11 student with an opportunity to request that the district correct an error in the eligibility
12 determination.

13 *** Sec. 2.** AS 14.07.020(a) is amended to read:

14 (a) The department shall

1 (1) exercise general supervision over the public schools of the state
2 except the University of Alaska;

3 (2) study the conditions and needs of the public schools of the state,
4 adopt or recommend plans, administer and evaluate grants to improve school
5 performance awarded under AS 14.03.125, and adopt regulations for the improvement
6 of the public schools;

7 (3) provide advisory and consultative services to all public school
8 governing bodies and personnel;

9 (4) prescribe by regulation a minimum course of study for the public
10 schools; the regulations must provide that, if a course in American Sign Language is
11 given, the course shall be given credit as a course in a foreign language;

12 (5) establish, in coordination with the Department of Health and Social
13 Services, a program for the continuing education of children who are held in detention
14 facilities in the state during the period of detention;

15 (6) accredit those public schools that meet accreditation standards
16 prescribed by regulation by the department; these regulations shall be adopted by the
17 department and presented to the legislature during the first 10 days of any regular
18 session, and become effective 45 days after presentation or at the end of the session,
19 whichever is earlier, unless disapproved by a resolution concurred in by a majority of
20 the members of each house;

21 (7) prescribe by regulation, after consultation with the state fire
22 marshal and the state sanitarian, standards that will assure healthful and safe
23 conditions in the public and private schools of the state, including a requirement of
24 physical examinations and immunizations in pre-elementary schools; the standards for
25 private schools may not be more stringent than those for public schools;

26 (8) exercise general supervision over pre-elementary schools that
27 receive direct state or federal funding;

28 (9) exercise general supervision over elementary and secondary
29 correspondence study programs offered by municipal school districts or regional
30 educational attendance areas; the department may also offer and make available to any
31 Alaskan through a centralized office a correspondence study program;

1 (10) accredit private schools that request accreditation and that meet
2 accreditation standards prescribed by regulation by the department; nothing in this
3 paragraph authorizes the department to require religious or other private schools to be
4 licensed;

5 (11) review plans for construction of new public elementary and
6 secondary schools and for additions to and major rehabilitation of existing public
7 elementary and secondary schools and, in accordance with regulations adopted by the
8 department, determine and approve the extent of eligibility for state aid of a school
9 construction or major maintenance project; for the purposes of this paragraph, "plans"
10 include educational specifications, schematic designs, and final contract documents;

11 (12) provide educational opportunities in the areas of vocational
12 education and training, and basic education to individuals over 16 years of age who
13 are no longer attending school;

14 (13) administer the grants awarded under AS 14.11;

15 (14) establish, in coordination with the Department of Public Safety, a
16 school bus driver training course;

17 (15) require the reporting of information relating to school disciplinary
18 and safety programs under AS 14.33.120 and of incidents of disruptive or violent
19 behavior;

20 (16) establish by regulation criteria, based on low student performance,
21 under which the department may intervene in a school district to improve instructional
22 practices, as described in AS 14.07.030(14) or (15); the regulations must include

23 (A) a notice provision that alerts the district to the deficiencies
24 and the instructional practice changes proposed by the department;

25 (B) an end date for departmental intervention, as described in
26 AS 14.07.030(14)(A) and (B) and (15), after the district demonstrates three
27 consecutive years of improvement consisting of not less than two percent
28 increases in student proficiency on standards-based assessments in math,
29 reading, and writing as provided in AS 14.03.123(f)(2)(A); and

30 (C) a process for districts to petition the department for
31 continuing or discontinuing the department's intervention;

1 (17) notify the legislative committees having jurisdiction over
2 education before intervening in a school district under AS 14.07.030(14) or redirecting
3 public school funding under AS 14.07.030(15);

4 **(18) administer duties assigned to the department under the**
5 **governor's scholarship program established in AS 14.43.810 - 14.43.890.**

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

7 (e) The commission may

8 (1) adopt regulations under AS 44.62 (Administrative Procedure Act)

9 to

10 (A) carry out the purposes of

11 (i) **AS 14.43.091 - 14.43.890** [AS 14.43.091 -
12 14.43.750], 14.43.990, AS 14.44, and AS 14.48; and

13 (ii) AS 14.43.910 and 14.43.920 as they relate to the
14 purposes of **AS 14.43.091 - 14.43.890** [AS 14.43.091 - 14.43.750],
15 14.43.990, AS 14.44, and AS 14.48;

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

20 (C) establish standards for the

21 (i) administration of hearings conducted under
22 AS 14.43.153; and

23 (ii) administrative enforcement of collection orders
24 under AS 14.43.151 - 14.43.155;

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

30 (3) establish task forces, committees, or subcommittees, not
31 necessarily consisting of commission members, to advise and assist the commission in

1 carrying out its functions;

2 (4) contract with or use existing institutions of postsecondary
3 education or other individuals or organizations to make studies, conduct surveys,
4 submit recommendations, or otherwise contribute to the work of the commission;

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

6 (A) requests approval for participation in the programs under
7 AS 14.43.091 - 14.43.890 [AS 14.43.091 - 14.43.750], 14.43.990, and
8 AS 14.44; and

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

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

15 * Sec. 4. AS 14.42.200 is amended to read:

16 **Sec. 14.42.200. General powers.** In addition to other powers granted in this
17 chapter, the corporation may

18 (1) sue and be sued in its own name;

19 (2) adopt an official seal;

20 (3) adopt regulations under AS 44.62 (Administrative Procedure Act)
21 to carry out the purposes of this chapter;

22 (4) make and execute agreements, contracts, and other instruments
23 necessary or convenient in the exercise of the powers and functions of the corporation,
24 including contracts with a person or governmental entity;

25 (5) receive, take, hold, and administer, on behalf of the corporation and
26 for any of its purposes, any appropriation, gift, grant, bequest, devise, or donation of
27 real property or personal property if that obligation of the corporation is not a debt of
28 the state; in this paragraph, "property" includes

29 (A) money; and

30 (B) life estates, leases, or other interests in property;

31 (6) borrow money as provided in this chapter to carry out its corporate

1 purposes and issue its obligations as evidence of the borrowing;

2 (7) include in a borrowing the amounts to pay financing charges,
3 interest on the obligations for a period not exceeding one year after the date on which
4 the corporation estimates funds will otherwise be available to pay the interest,
5 consultant, advisory, and legal fees, and other expenses necessary or incident to the
6 borrowing;

7 (8) invest or reinvest, subject to its contracts with noteholders and
8 bondholders, money held by the corporation as set out in AS 37.10.071;

9 (9) set and collect interest, fees, and charges in connection with
10 education loans or repayment obligations held by the corporation and its servicing
11 agents; in this paragraph, "charges" includes costs of financing by the corporation,
12 service charges, insurance premiums, and other costs incurred by the corporation in
13 carrying out its corporate purposes;

14 (10) gather information on postsecondary education financial resources
15 available to residents of this state and disseminate the information to reasonably assure
16 that qualified residents are aware of those financial resources;

17 (11) service education loans and repayment obligations held by the
18 corporation;

19 (12) purchase or participate in the purchase of education loans;

20 (13) contract in advance for the purchase or sale of education loans;

21 (14) sell or participate in the sale, either public or private and on terms
22 authorized by the board, of education loans to the Student Loan Marketing Association
23 or to other purchasers;

24 (15) collect and pay reasonable fees and charges in connection with the
25 purchase, sale, and servicing of education loans and repayment obligations;

26 (16) enter into agreements with the federal government, including
27 guaranty agreements and supplemental guaranty agreements as described in 20 U.S.C.
28 1001 - 1155, as amended, as necessary to provide for the receipt by the corporation of
29 administrative allowances and other benefits available under 20 U.S.C. 1001 - 1155,
30 as amended;

31 (17) administer federal money allotted to the state involving insured

1 education loans and related administrative costs and other matters;

2 (18) enter into agreements with the commission relating to education
3 loans and repayment obligations, the administration of the financial aid and loan
4 programs under AS 14.43.091 - 14.43.890 [AS 14.43.091 - 14.43.750], 14.43.990, and
5 AS 14.44, and the payment of and security for bonds of the corporation;

6 (19) to the extent permitted under contracts with bondholders, consent
7 to the modification of the rate of interest, time of payment of an installment of
8 principal or interest, or other terms of an education loan or repayment obligation held
9 by the corporation;

10 (20) procure insurance against any loss in connection with the
11 operation of its programs;

12 (21) provide advisory services to borrowers and other participants in
13 the corporation's programs;

14 (22) enter into credit facility agreements and make pledges, covenants,
15 and agreements with respect to the repayment of borrowings under the credit facility
16 agreements;

17 (23) develop and implement education financing programs; in this
18 paragraph, "programs" includes

19 (A) programs listed in AS 14.42.030(b)(1);

20 (B) programs for the guaranteeing, servicing, originating, and
21 financing of education loans for borrowers located both inside and outside the
22 state; and

23 (C) federal financial aid programs made under federal law; and

24 (24) perform acts that may be necessary or appropriate to carry out
25 effectively the general objectives and purposes of the corporation under AS 14.42.100
26 - 14.42.990.

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

28 **Article 11A. Governor's Scholarship Program.**

29 **Sec. 14.43.810. Governor's scholarship program established; Alaska**
30 **residency.** (a) The governor's scholarship program is established to provide
31 scholarships for high school graduates who are Alaska residents to attend a qualified

1 postsecondary institution in the state. The program includes performance, opportunity,
2 and career scholarships.

3 (b) The department shall design the programmatic standards for the
4 scholarships and appeals of adverse decisions. The commission shall administer the
5 daily operations of the program and financing of the program, including processing
6 applications for the scholarships, establishing standards for and ensuring continuing
7 compliance with programmatic standards, and requiring students to apply for other
8 nonloan financial aid, consistent with federal law. The department, the commission,
9 the corporation, and the Department of Labor and Workforce Development shall adopt
10 necessary regulations under AS 44.62 after consultation with each other. The
11 department may change the regulations under AS 44.62 relating to the programmatic
12 standards for required academic achievement for eligibility only by giving advance
13 public notice at least one school year before the effective date of the change.

14 (c) For purposes of the program, a student is an Alaska resident if the student
15 meets the requirements for establishing residency under AS 01.10.055.

16 (d) The program shall be administered to further the following goals:

17 (1) increasing high school graduation rates in the state;

18 (2) improving academic performance of students in kindergarten
19 through grade 12 in the state;

20 (3) improving preparedness of Alaska students for postsecondary
21 education;

22 (4) improving the quality of the educational programs offered by high
23 schools in the state;

24 (5) increasing the scores of high school students in the state on college
25 entrance examinations;

26 (6) increasing job training opportunities in the state;

27 (7) improving the postsecondary academic achievement and
28 graduation rates of students in the state;

29 (8) expanding the pool of high school students in the state who pursue
30 postsecondary opportunities.

31 **Sec. 14.43.815. Qualifications of applicants.** (a) A student may apply for a

1 governor's scholarship to attend a qualified postsecondary institution in the state if the
2 student

3 (1) has applied or intends to apply for admission to the institution;

4 (2) is an Alaska resident who has

5 (A) graduated, or will graduate not later than six months after
6 the date of the application, from a high school in the state, including a public
7 school, private school, and home school;

8 (B) graduated, or will graduate not later than six months after
9 the date of the application, from a high school outside of the state under
10 circumstances allowed by the department; for purposes of this subparagraph,
11 allowable circumstances include a circumstance in which a high school student
12 who is an Alaska resident left the state because of the military service of the
13 student's custodial parent who is an Alaska resident;

14 (3) will receive and use the scholarship at a qualified postsecondary
15 institution in the state not later than six years after the beginning of the first school
16 year after a student's graduation from high school, unless the student qualifies for an
17 extension of time allowed by the department; for purposes of this paragraph, standards
18 for extension of time must include time while the student is in military service;

19 (4) maintains a minimum grade-point average of 2.5 at a qualified
20 postsecondary institution in the state; and

21 (5) meets other minimum qualifications to apply or continue to be
22 eligible for a governor's scholarship.

23 (b) A student is not qualified to receive a governor's scholarship if the student

24 (1) has not complied with the military selective service registration
25 requirements imposed under 50 U.S.C. App. 453 (Military Selective Service Act), if
26 those requirements apply to the student;

27 (2) is currently in default or owes a refund on a federal financial aid
28 loan under the federal guaranteed student loan program or financial aid awarded under
29 this chapter; or

30 (3) has been convicted of a felony in the state or another jurisdiction
31 and has not qualified for a waiver under standards adopted by the department.

1 **Sec. 14.43.820. Eligibility for a performance scholarship.** (a) Subject to
2 appropriation, the commission shall award a performance scholarship to an applicant
3 who meets the eligibility criteria for the award under the program.

4 (b) The programmatic standards for eligibility for an award of a performance
5 scholarship under the program include the following:

6 (1) the four-year core academic curriculum that the student must have
7 completed in high school; the core academic curriculum must include

8 (A) four years of mathematics, four years of language arts, four
9 years of science, and three years of social studies; or

10 (B) three years of mathematics, four years of language arts,
11 three years of science, three years of social studies, and two years of a foreign
12 or Alaska Native language;

13 (2) achievement of a minimum grade-point average of 3.5 in high
14 school;

15 (3) enrollment in a course of study at a qualified postsecondary
16 institution described in AS 14.43.835(a)(1) that is intended to result in the award of a
17 certificate or degree;

18 (4) a process through which a student who is no longer eligible can
19 regain eligibility;

20 (5) a process through which a home-schooled or private-schooled
21 student may submit evidence to the qualified university or college that establishes the
22 equivalent of the high school diploma, grade-point average, and core academic
23 curriculum for public school students.

24 **Sec. 14.43.822. Eligibility for an opportunity scholarship.** (a) Subject to
25 appropriation, the commission shall award an opportunity scholarship to an applicant
26 who

27 (1) meets the eligibility criteria for a performance scholarship award
28 under AS 14.43.820(b)(1) and (b)(3) - (5);

29 (2) has achieved a minimum grade-point average of 2.5 in high school;
30 and

31 (3) demonstrates unmet financial need on a Free Application for

1 Federal Student Aid (20 U.S.C. 1090).

2 (b) An applicant who is eligible for a scholarship under this section may be
3 awarded an additional scholarship under AS 14.43.820.

4 **Sec. 14.43.825. Eligibility for a career scholarship.** (a) Subject to
5 appropriation, the commission shall award a career scholarship to an applicant who
6 meets the eligibility criteria for the award under the program.

7 (b) The programmatic standards for eligibility for an award of a career
8 scholarship under the program include the following:

9 (1) the core academic curriculum that the student must have completed
10 in high school; the core academic curriculum must include

11 (A) three years of mathematics;

12 (B) three years of language arts;

13 (C) two years of science; and

14 (D) two years of social studies;

15 (2) achievement of a minimum grade-point average of 2.0 in high
16 school;

17 (3) demonstration of unmet financial need on a Free Application for
18 Federal Student Aid (20 U.S.C. 1090);

19 (4) enrollment in good standing at a qualified postsecondary institution
20 as described in AS 14.43.835(a)(2) that is intended to result in the award of a
21 certificate that indicates the student's preparedness to enter the workforce; or

22 (5) a process through which a student who is no longer eligible can
23 regain eligibility.

24 (c) An applicant who is awarded a scholarship under this section may not be
25 awarded an additional scholarship under AS 14.43.820 or 14.43.822 for the same year.

26 **Sec. 14.43.827. Maximum awards and allowable uses.** (a) Subject to (b) - (e)
27 of this section, the maximum awards for the program are as follows:

28 (1) for the performance scholarship, the award for a semester must be
29 equal to the cost of approved tuition at the University of Alaska in school year 2010
30 through 2011 for a student taking 15 credits;

31 (2) for the opportunity scholarship, the award for a semester must be

1 equal to the applicant's unmet financial need;

2 (3) for the career scholarship, the award must be the actual cost of the
3 qualified postsecondary institution attended by the student, not to exceed \$3,000 a
4 school year for two years.

5 (b) A part-time student who receives a scholarship and is enrolled on at least a
6 half-time basis is eligible for an award on a pro rata basis.

7 (c) A student's eligibility for a scholarship terminates six years after the date
8 the student graduated from high school unless the student qualifies for an extension of
9 time allowed by the department.

10 (d) Subject to AS 14.43.815(a)(3), a student receiving a performance or
11 opportunity scholarship may remain eligible for up to eight semesters of enrollment in
12 good standing at a qualified university or college, which may include graduate
13 courses. A student receiving a career scholarship may remain eligible for two calendar
14 years of attendance at a qualified postsecondary institution.

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 nonloan financial aid
18 awarded to the student.

19 **Sec. 14.43.830. Programmatic standards; alternative pathway.** The
20 department shall establish a make-up procedure or alternative pathway to allow
21 students who are not eligible for a scholarship to make up a deficit by alternative
22 means if the deficit was caused by circumstances beyond the student's control. The
23 department may not waive a requirement and shall require the student to achieve a
24 result comparable to that required of other students. The decision of the department
25 regarding a student's eligibility for alternative means is final. In determining
26 circumstances in which the student may pursue alternative means, the department shall
27 consider the effect on students who have met the requirements and the need to
28 promote the goals of the program. Attendance at a high school outside of the state is
29 not a circumstance in which a student may be allowed to pursue alternative means to
30 qualify for a scholarship. Circumstances in which the department may allow a student
31 to pursue alternative means to qualify for a scholarship include the following:

1 (1) the required curriculum was not reasonably available to the student
2 because the student attended a small and remote high school in the state;

3 (2) the deficit was caused by rare and unusual circumstances outside
4 the control of the student.

5 **Sec. 14.43.835. Qualified postsecondary institutions.** (a) The following
6 institutions are qualified postsecondary institutions:

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

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

10 (B) accredited by a regional accreditation association;

11 (2) a career and technical school program physically located in the
12 state that has been included on a list of certified career and technical school programs
13 received from the Department of Labor and Workforce Development; the commission
14 shall publish the list on or before September 1 of each year.

15 (b) The Department of Labor and Workforce Development shall, in
16 consultation with the department, adopt regulations under AS 44.62 establishing
17 criteria under which the Department of Labor and Workforce Development shall
18 certify career and technical school programs in the state as eligible to participate in the
19 career and technical school scholarship program. The criteria to be considered under
20 this subsection include the following:

21 (1) the quality of the job-training program offered by the career and
22 technical school;

23 (2) the employability of a graduate of the program, including whether
24 the program results in a certificate or license that is recognized by the industry for
25 which the training prepares the student;

26 (3) whether jobs in the industry for which the training prepares the
27 student are available or expected to be available in the future in the state;

28 (4) other criteria established by the Department of Labor and
29 Workforce Development in regulation.

30 (c) A postsecondary institution is physically located in the state if the campus,
31 teachers, classrooms, school administrators, and equipment used to provide the

1 education to the students are physically present in the state. Use of virtual, electronic,
2 or online materials by teachers in the state does not disqualify a postsecondary
3 institution even if the materials are generated outside the state. However, a
4 correspondence, virtual, electronic, or online program that is administered from
5 outside the state is not physically located in the state even if the program is delivered
6 by teachers or equipment in the state.

7 **Sec. 14.43.840. Application and award.** (a) The commission shall establish
8 application procedures for students to apply for a governor's scholarship.

9 (b) The commission shall adopt procedures for payment and repayment of
10 scholarship awards to the institution attended by the scholarship recipient. Payment of
11 a scholarship is subject to appropriation. If insufficient funds are appropriated to pay
12 all eligible scholarships, the commission shall pay existing awards on a pro rata basis.

13 (c) The commission shall collect from a student who is awarded a scholarship
14 in error repayments to the state in the amount of the scholarship awarded in error.

15 **Sec. 14.43.845. Governor's scholarship fund income account.** The
16 governor's scholarship fund income account is created as an account in the general
17 fund. Money may be appropriated into the account from the expendable earnings of
18 the governor's scholarship fund under AS 37.14.750 - 37.14.790 and other sources.
19 The commission may use money in the account to pay scholarships awarded to
20 students under AS 14.43.810 - 14.43.890.

21 **Sec. 14.43.850. Report to the legislature.** (a) To the extent permitted under
22 law, the department, the commission, the University of Alaska, the Department of
23 Revenue, and the Department of Labor and Workforce Development shall share data
24 necessary to prepare public reports regarding the program.

25 (b) Not more than 10 days after the convening of each regular legislative
26 session, the department, the commission, the University of Alaska, the Department of
27 Revenue, and the Department of Labor and Workforce Development shall present an
28 annual report to the public, the governor, and the legislature containing information of
29 public interest regarding the program, including

30 (1) the number of applicants and number and types of scholarships
31 awarded;

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

3 (3) data and trends in the data regarding the goals identified in
4 AS 14.43.810.

5 **Sec. 14.43.890. Definitions.** In AS 14.43.810 - 14.43.890, unless the context
6 requires otherwise,

7 (1) "grade-point average" means the average of all grades on a four-
8 point scale, or five-point scale for advanced placement classes, obtained by the student
9 in high school;

10 (2) "military service" means active duty in the armed forces of the
11 United States;

12 (3) "program" means the governor's scholarship program established
13 under AS 14.43.810 - 14.43.890;

14 (4) "school district" means a borough school district, a city school
15 district, a regional educational attendance area, and a state boarding school;

16 (5) "unmet financial need" means the amount of need demonstrated
17 under federal standards for determining financial need under 20 U.S.C. 1070c-2, as
18 amended, after other nonloan financial aid for which the student is eligible is
19 deducted.

20 * **Sec. 6.** AS 14.45.130(a) is amended to read:

21 (a) A religious or other private school that elects to comply with AS 14.45.100
22 - 14.45.130 shall maintain permanent student records reflecting immunizations,
23 physical examinations, standardized testing, academic achievement, [AND] courses
24 taken at the school, and level of eligibility for a governor's scholarship under
25 AS 14.43.810 - 14.43.890.

26 * **Sec. 7.** AS 23.05.060 is amended to read:

27 **Sec. 23.05.060. Powers of the department.** The department may

28 (1) enforce all state labor laws;

29 (2) act as mediator and appoint deputy commissioners of conciliation
30 in labor disputes whenever it considers the interest of industrial peace requires it;

31 (3) make investigations and collect and compile statistical information

1 concerning the conditions of labor generally and upon all matters relating to the
2 enforcement of this chapter;

3 (4) institute court proceedings against an employer of labor without
4 cost to the employee when it is satisfied that the employer has failed to pay an
5 employee an amount due by contract;

6 (5) issue cease and desist orders and other orders and regulations
7 necessary for the enforcement of state labor laws;

8 (6) in accordance with AS 37.07 (the Executive Budget Act), receive
9 and spend money derived from agreements with local governments, nongovernmental
10 organizations, or other persons;

11 **(7) administer duties assigned to the department under the**
12 **governor's scholarship program established in AS 14.43.810 - 14.43.890.**

13 * Sec. 8. AS 36.30.850(b) is amended to read:

14 (b) This chapter applies to every expenditure of state money by the state,
15 acting through an agency, under a contract, except that this chapter does not apply to

16 (1) grants;

17 (2) contracts for professional witnesses to provide for professional
18 services or testimony relating to existing or probable lawsuits in which the state is or
19 may become a party;

20 (3) contracts of the University of Alaska where the work is to be
21 performed substantially by students enrolled in the university;

22 (4) contracts for medical doctors and dentists;

23 (5) acquisitions or disposals of real property or interest in real
24 property, except as provided in AS 36.30.080 and 36.30.085;

25 (6) disposals under AS 38.05;

26 (7) contracts for the preparation and transportation of ballots under
27 AS 15;

28 (8) acquisitions or disposals of property and other contracts relating to
29 airports under AS 02.15.070, 02.15.090, 02.15.091, and AS 44.88;

30 (9) disposals of obsolete property under AS 19.05.060;

31 (10) disposals of obsolete material or equipment under AS 35.20.060;

1 (11) agreements with providers of services under AS 47.25.071 -
2 47.25.095; AS 47.07; AS 47.08; AS 47.10; AS 47.12; AS 47.14; AS 47.17; AS 47.24;
3 and AS 47.27, including contractors under AS 47.27.050;

4 (12) contracts of the Department of Fish and Game for flights that
5 involve specialized flying and piloting skills and are not point-to-point;

6 (13) purchases of income-producing assets for the state treasury or a
7 public corporation of the state;

8 (14) [REPEALED

9 (15)] a contract that is a delegation, in whole or in part, of investment
10 powers held by

11 (A) the commissioner of revenue under AS 14.42.200,
12 14.42.210, AS 18.56.095, AS 37.10.070, 37.10.071, or AS 37.14;

13 (B) the Board of Regents of the University of Alaska under
14 AS 14.40.250 - 14.40.491;

15 (15) [(16)] a contract that is a delegation, in whole or in part, of
16 investment powers or fiduciary duties of

17 (A) the Board of Trustees of the Alaska Permanent Fund
18 Corporation under AS 37.13;

19 (B) the Alaska Mental Health Trust Authority under
20 AS 37.14.001 - 37.14.099;

21 (16) [(17)] the purchase of books, book binding services, newspapers,
22 periodicals, audio-visual materials, network information services access, approval
23 plans, professional memberships, archival materials, objects of art, and items for
24 museum or archival acquisition having cultural, historical, or archaeological
25 significance; in this paragraph

26 (A) "approval plans" means book selection services in which
27 current book titles meeting an agency's customized specifications are provided
28 to the agency subject to the right of the agency to return those books that do
29 not meet with the agency's approval;

30 (B) "archival materials" means the noncurrent records of an
31 agency that are preserved after appraisal because of their value;

1 (C) "audio-visual materials" means nonbook prerecorded
2 materials, including records, tapes, slides, transparencies, films, filmstrips,
3 cassettes, videos, compact discs, laser discs, and items that require the use of
4 equipment to render them usable;

5 (D) "network information services" means a group of resources
6 from which cataloging information, holdings records, inter-library loans,
7 acquisitions information, and other reference resources can be obtained;

8 (17) [(18)] contracts for the purchase of standardized examinations for
9 licensure under AS 08;

10 (18) [(19)] contracts for home health care provided under regulations
11 adopted by the Department of Health and Social Services and for adult residential care
12 services provided under regulations adopted by the Department of Health and Social
13 Services or by the Department of Administration;

14 (19) [(20)] contracts for supplies or services for research projects
15 funded by money received from the federal government or private grants;

16 (20) [(21)] guest speakers or performers for an educational or cultural
17 activity;

18 (21) [(22)] contracts of the Alaska Industrial Development and Export
19 Authority for a clean coal technology demonstration project that

20 (A) is attempting to develop a coal-fired electric generation
21 project;

22 (B) uses technology that is capable of commercialization
23 during the 1990's; and

24 (C) qualifies for federal financial participation under P.L. 99-
25 190 as amended;

26 (22) [(23)] operation and protection of assets or disposals of equipment
27 and supplies acquired through foreclosure or other legal proceedings relating to loans
28 issued under AS 03.10;

29 (23) [(24)] purchases of curatorial and conservation services to
30 maintain, preserve, and interpret

31 (A) objects of art; and

1 (B) items having cultural, historical, or archaeological
2 significance to the state;

3 (24) [(25)] acquisition of confidential seismic survey data necessary
4 for pre-sale oil and gas lease or gas only lease analyses under AS 38.05.180;

5 (25) [(26)] contracts for village public safety officers;

6 (26) [(27)] purchases of supplies and services to support the operations
7 of the Alaska state troopers or law enforcement officers engaged in fish and wildlife
8 protection if the procurement officer for the Department of Public Safety makes a
9 written determination that publicity of the purchases would jeopardize the safety of
10 personnel or the success of a covert operation;

11 (27) [(28)] expenditures when rates are set by law or ordinance;

12 (28) [(29)] construction of new vessels by the Department of
13 Transportation and Public Facilities for the Alaska marine highway system;

14 (29) [(30)] contracts entered into with a regional development
15 organization; in this paragraph, "regional development organization" has the meaning
16 given in AS 44.33.895;

17 (30) [(31)] contracts that are to be performed in an area outside of the
18 country and that require a knowledge of the customs, procedures, rules, or laws of the
19 area;

20 (31) [(32)] contracts that are between the Department of Law and
21 attorneys who are not employed by the state and that are for the review or prosecution
22 of possible violations of the criminal law of the state in situations where the attorney
23 general concludes that an actual or potential conflict of interest makes it inappropriate
24 for the Department of Law to review or prosecute the possible violations;

25 (32) [(33)] contracts between the Department of Natural Resources and
26 contractors qualified to evaluate hydrocarbon development, production, transportation,
27 and economics, to assist the commissioner of natural resources in evaluating
28 applications for royalty increases or decreases or other royalty adjustments, and
29 evaluating the related financial and technical data, entered into under AS 38.05.180(j);

30 (33) [(34)] contracts of the Alaska Industrial Development and Export
31 Authority made with the developer of an integrated transportation and port facility

1 owned by the authority;

2 (34) [(35)] procurements of contracts with the media for advertising;

3 (35) [(36)] [REPEALED

4 (37)] contracts between the state medical examiner and a provider of
5 medical services to perform or assist in performing the duties assigned to the state
6 medical examiner in AS 12.65.020;

7 (36) [(38)] contracts between the commissioner of revenue and an
8 independent contractor under AS 43.82.240;

9 (37) [(39)] contracts for a convener under AS 44.62.730 or for a
10 facilitator under AS 44.62.760 related to a negotiated regulation making process under
11 AS 44.62.710 - 44.62.800;

12 (38) [(40)] REPEALED

13 (41)] a tourism marketing contract awarded under AS 44.33.125;

14 (39) [(42)] grants and contracts with qualified entities for services
15 under AS 47.18.330 for the foster care transition program;

16 (40) [(43)] contracts for travel services, including airplane travel, hotel
17 accommodations, and travel agency services, but excluding motor vehicle rentals;

18 (41) [(44)] contracts of the Alaska Commission on Postsecondary
19 Education or the Alaska Student Loan Corporation for the guarantee and disbursing of
20 financial aid money to institutions of postsecondary education under the financial aid
21 programs under AS 14.43.091 - 14.43.890 [AS 14.43.091 - 14.43.750] and
22 AS 14.44.025;

23 (42) [(45)] contracts for an arbitration panel to determine whether a
24 project is uneconomic under AS 43.90.240, and contracts for the development of
25 application provisions for licensure and for the evaluation of those applications under
26 AS 43.90;

27 (43) [(46)] contracts for delivery of home heating assistance under
28 AS 47.25.626;

29 (44) [(47)] contracts of the Alaska Pension Obligation Bond
30 Corporation under AS 37.16.010 - 37.16.900.

31 * Sec. 9. AS 37.14 is amended by adding new sections to read:

1 **Article 8A. Governor's Scholarship Fund.**

2 **Sec. 37.14.750. Governor's scholarship fund established.** (a) The governor's
3 scholarship fund is established as a fund of the state. The fund consists of

- 4 (1) appropriations to the fund;
5 (2) donations to the fund; and
6 (3) income earned on investments of fund assets.

7 (b) The commissioner of revenue shall manage the fund with the goal that the
8 purchasing power of the fund will not diminish over time without regard to additional
9 contributions that may be made to the fund. The commissioner shall invest the assets
10 of the fund in a manner likely to yield at least a five percent real rate of return over
11 time.

12 (c) Nothing in this section creates a dedicated fund.

13 **Sec. 37.14.755. Powers and duties of the commissioner of revenue.** In
14 carrying out the investment duties under AS 37.14.750 - 37.14.790, the commissioner
15 of revenue has the powers and duties set out in AS 37.10.071. The commissioner shall
16 provide reports to the Department of Education and Early Development, the
17 Department of Labor and Workforce Development, and the Alaska Commission on
18 Postsecondary Education on the condition and investment performance of the fund.

19 **Sec. 37.14.760. Use of fund.** As soon as practicable after July 1 of each year,
20 the commissioner of revenue shall determine the average month-end market value of
21 the fund for the immediately preceding three fiscal years. The commissioner shall
22 identify five percent of that amount as available for appropriation by the legislature for
23 appropriation to the governor's scholarship fund income account created under
24 AS 14.43.845 from which the Alaska Commission on Postsecondary Education may
25 award scholarships under AS 14.43.810 - 14.43.890. The commissioner shall also
26 report as available for appropriation a running total of amounts previously identified
27 as available for appropriation to the governor's scholarship fund income account but
28 not appropriated.

29 **Sec. 37.14.790. Definitions.** In AS 37.14.750 - 37.14.790, unless the context
30 requires otherwise,

- 31 (1) "commissioner" means the commissioner of revenue;

1 (2) "fund" means the governor's scholarship fund established in
2 AS 37.14.750(a).

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

5 TRANSITION: PROGRAM STANDARDS AND IMPLEMENTATION FOR
6 INITIAL SCHOOL YEARS. Notwithstanding any contrary provision of this Act, the
7 Department of Education and Early Development and the Department of Labor and
8 Workforce Development, after consultation with the Alaska Commission on Postsecondary
9 Education, may adopt regulations under AS 44.62 to implement their respective duties under
10 the governor's scholarship program established in AS 14.43.810, enacted by sec. 5 of this Act,
11 so that a student

12 (1) may be eligible for the program even though the student did not fully meet
13 the required core academic curriculum for the school years beginning July 1, 2010, through
14 June 30, 2013; and

15 (2) who graduated from high school in this state after June 30, 2010, and
16 before July 1, 2011, and meets eligibility requirements for the program may apply for a
17 scholarship beginning July 1, 2011.

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

20 TRANSITION: REGULATIONS. The Department of Education and Early
21 Development, the Department of Labor and Workforce Development, and the Alaska
22 Commission on Postsecondary Education may proceed to adopt regulations necessary to
23 implement changes made to their respective authorities by this Act. The regulations take
24 effect under AS 44.62 (Administrative Procedure Act), but not before September 1, 2010.

25 * **Sec. 12.** Section 11 of this Act takes effect immediately under AS 01.10.070(c).

26 * **Sec. 13.** Except as provided in sec. 12 of this Act, this Act takes effect September 1, 2010.

Committee Member Questions and Concerns

General

- 1) What percentage of schools is currently unable to attain these academic standards? What is in place to help those schools?
- 2) If a school needs to offer a virtual curriculum to meet the standards, who pays for the upgrade?
- 3) In some schools it takes five years to do a science program. If the student is pursuing classes full time, but unable to graduate in four years, due to no fault of the student, can it be extended?
- 4) Wyoming has an explicit phase in for current students. How would the department phase in the course requirements so that students already in high school could be eligible?
- 5) Wyoming defines the courses that are to be taken, ie, Algebra I, Geometry and Algebra II.
- 6) Can private individuals make donations to the fund?
- 7) Issue of first in, last out—would that make students hesitant to apply for other scholarships and grants, which would reduce the cost the following years if it was a multiyear grant?
- 8) Why the six year cap? Can that be extended? If the students starts using the scholarship in their sixth year, then do they receive all eight semesters thereafter?
- 9) “meets other minimum qualifications to apply or continue to be eligible for a governor’s performance scholarship.” What does this mean. What are the other requirements? Who sets them?
- 10) “...a process through which a student who is no longer eligible can regain eligibility;” What is that process? Who determines it?
- 11) Should requirement options be offered? Three years of math and two years of a foreign language, for instance.
- 12) What do you expect the ACT/SAT requirements to be? Why are they a part of this if the students are getting the grades?
- 13) Where does a student in a small village take the SAT/ACT? Are they offered in the schools, or do they have to travel to take it?
- 14) Why does someone have to fill out a FAFSA form if they are not interested in getting any financial aid?
- 15) Goals—do you really want intent language in the bill? Should that not be in an accompanying letter?
- 16) Currently the language excluded anyone who graduates before June 30, 2010. What do we tell students who worked *this year* to earn this, but are not allowed to receive it?
- 17) This is a complicated bill, with many different components. Is this too much to do in one year?

Governor's Proposed Amendment

A Level

B Level

C+ Level

| <i>Current in SB 224</i> | UAA | UAF | UAS | UAA | UAF | UAS | UAA | UAF | UAS |
|-----------------------------|-----------|---------|---------|-----------|-----------|-----------|-----------|-----------|-----------|
| Annual Attendance Cost | 19,035.00 | 17,483 | 15,838 | 19,035.00 | 17,483.00 | 15,838.00 | 19,035.00 | 17,483.00 | 15,838.00 |
| Pell Grant | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 |
| Current Scholarship (A Avg) | 4,755 | 4,755 | 4,755 | 3,566 | 3,566 | 3,566 | 2,378 | 2,378 | 2,378 |
| <i>Other Grants</i> | | | | | | | | | |
| Total Grants | 10,105 | 10,105 | 10,105 | 8,916 | 8,916 | 8,916 | 7,728 | 7,728 | 7,728 |
| Remaining need | 8,930 | 7,378 | 5,733 | 10,119 | 8,567 | 6,922 | 11,307 | 9,755 | 8,110 |
| Current Amendment | | | | | | | | | |
| Required contribution | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) |
| Eligible Base | 6,930 | 5,378 | 3,733 | 8,119 | 6,567 | 4,922 | 9,307 | 7,755 | 6,110 |
| State Aid (Need) | 3465 | 2689 | 1866.5 | 4059.5 | 3283.5 | 2461 | 4653.5 | 3877.5 | 3055 |
| Total State Aid Money | 8,220 | 7,444 | 6,622 | 7,626 | 6,850 | 6,027 | 7,032 | 6,256 | 5,433 |
| Final unmet need | 5,465 | 4,689 | 3,867 | 6,060 | 5,284 | 4,461 | 6,654 | 5,878 | 5,055 |

| | |
|---------------------------|--|
| Assumptions | The student has full financial need (<i>lowest family income</i>) |
| Annual cost of Attendance | Figure derived from UA admissions office based on entering Freshman living on campus |
| Pell Grant | Pell Grant is set at the maximum for the year 2009-2010. Pell |
| Current Scholarship | Award under the current governor's program |
| <u>Total Grants</u> | Total Grants equals the Pell plus the scholarship. <i>plus other private & public grants</i> |
| Remaining need | This is what is left to pay of the annual cost after subtracting the monies for grants and scholarships |
| Current Amendment | Everything below this is what is proposed in the amendments sent to the house on 2/15/10 |
| Required contribution | Works like a deductible; would be work study, loans, summer job, PFD, etc. |
| Eligible Base | The base figure used to determine the needs award. It is the remaining need, minus \$2,000 |
| State Aid | Fifty percent of the eligibility base. |
| Final unmet need | What the student would have pay, including remaining need after the state award and the required \$2,000 |

Governor's Proposed Amendment (With UA scholarship)

| | A Level | | | B Level | | | C+ Level | | |
|--------------------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | UAA | UAF | UAS | UAA | UAF | UAS | UAA | UAF | UAS |
| Current in SB 224 | | | | | | | | | |
| Annual Attendance Cost | 19,035.00 | 17,483 | 15,838 | 19,035.00 | 17,483.00 | 15,838.00 | 19,035.00 | 17,483.00 | 15,838.00 |
| Pell Grant | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 |
| Alaska Scholar | 2,750 | 2,750 | 2,750 | | | | | | |
| Current Scholarship | 4,755 | 4,755 | 4,755 | 3,566 | 3,566 | 3,566 | 2,378 | 2,378 | 2,378 |
| Total Grants | 12,855 | 12,855 | 12,855 | 8,916 | 8,916 | 8,916 | 7,728 | 7,728 | 7,728 |
| Remaining need | 6,180 | 4,628 | 2,983 | 10,119 | 8,567 | 6,922 | 11,307 | 9,755 | 8,110 |
| Current Amendment | | | | | | | | | |
| Required contribution | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) | (2,000) |
| Eligible Base | 4,180 | 2,628 | 983 | 8,119 | 6,567 | 4,922 | 9,307 | 7,755 | 6,110 |
| State Aid | 2,090 | 1,314 | 492 | 4,060 | 3,284 | 2,461 | 4,654 | 3,878 | 3,055 |
| Total State Aid Money | 6,845 | 6,069 | 5,247 | 7,626 | 6,850 | 6,027 | 7,032 | 6,256 | 5,433 |
| Final unmet need | 4,090 | 3,314 | 2,492 | 6,060 | 5,284 | 4,461 | 6,654 | 5,878 | 5,055 |

Assumptions

The student has full financial need

Annual cost of Attendance

Figure derived from UA admissions office based on entering Freshman living on campus

Pell Grant

Pell Grant is set at the maximum for the year 2009-2010. Pe

Current Scholarship

Award under the current governor's program

Total Grants

Total Grants equals the Pell plus the scholarship. *plus other private & public grants*

Remaining need

This is what is left to pay of the annual cost after subtracting the monies for grants and scholarships

Current Amendment

Everything below this is what is proposed in the amendments sent to the house on 2/15/10

Required contribution

Works like a deductible; would be work study, loans, summer job, PFD, etc.

Eligible Base

The base figure used to determine the needs award. It is the remaining need, minus \$2,000

State Aid

Fifty percent of the eligibility base.

Final unmet need

What the student would have pay, including remaining need after the state award and the required \$2,000

| SB 224 | Administration Admendment | Proposed CS | | | | | | | | |
|---|---|--|-----|--------------------|------------------|------------|-------|---------------------|-------|---|
| <p>Performance scholarship</p> <p>Four years of mathematics Four years of language arts Four years of science Three years of social studies</p> <p><i>Tiers</i></p> <p>A average = Full tuition B average = Seventy-five percent tuition C+ average = Fifty percent tuition</p> | | <p>Performance scholarship 3.5 grade point average</p> <p>PLUS</p> <p>Four years of mathematics Four years Language arts Four years science Three years of social studies</p> <p>OR</p> <p>Three years of mathematics Four years of language arts Three years of science Three years of social studies Two years of a foreign or Alaska Native Language</p> | | | | | | | | |
| | <p>Needs based component</p> <table data-bbox="783 1110 1193 1349"> <tr> <td><i>Current in SB 224</i></td> <td>UAA</td> </tr> <tr> <td>Annual cost of att</td> <td>19,035.00</td> </tr> <tr> <td>Pell Grant</td> <td>5,350</td> </tr> <tr> <td>Current Scholarship</td> <td>4,755</td> </tr> </table> | <i>Current in SB 224</i> | UAA | Annual cost of att | 19,035.00 | Pell Grant | 5,350 | Current Scholarship | 4,755 | <p>Opportunity scholarship</p> <p>Four years of mathematics Four years Language arts Four years science Three years of social studies</p> <p>OR</p> <p>Three years of mathematics</p> |
| <i>Current in SB 224</i> | UAA | | | | | | | | | |
| Annual cost of att | 19,035.00 | | | | | | | | | |
| Pell Grant | 5,350 | | | | | | | | | |
| Current Scholarship | 4,755 | | | | | | | | | |

| | | |
|---|--|--|
| | <p>Total Grants 10,105</p> <p>Remaining need 8,930</p> <p>Current Amendment</p> <p>Required contribution (2,000)</p> <p>Eligible Base 6,930</p> <p>State Aid 3,465</p> <p>Final unmet need 5,465</p> | <p>Four years of language arts Three years of science Three years of social studies Two years of a foreign or Alaska Native Language</p> <p>PLUS</p> <p>At least 2.5 grade average</p> <p>PLUS</p> <p>Demonstrates unmet financial need</p> |
| <p>Career Scholarship</p> <p>Four years of mathematics Four years of language arts Four years of science Three years of social studies</p> <p>AND</p> <p>Minimum grade point average Minimum entrance exam test score</p> <p>Limited to \$3,000 a year</p> | | <p>Career scholarship</p> <p>Three years of mathematics Four years of language arts Two years of science Three years of social Studies</p> <p>AND</p> <p>Grade point average of at least 2.0</p> <p>AND</p> <p>Demonstration of financial need, not to exceed \$3,000 a year</p> |

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

24 **Article 3A. Free Tuition for a Person Who Was in Out-of-Home Care.**

25 **Sec. 14.43.086. Free tuition and fees for a person who was in out-of-home**

26 **care.** (a) A person who enrolls as a student in good standing in a state-supported
27 educational institution in the state is eligible for a scholarship equal to tuition and fees
if the person provides adequate proof that the person

29 (1) was in the custody of the state under AS 47.10 or AS 47.14;

30 (2) was placed in out-of-home care for a period of not less than six
31 consecutive months on or after the person became 13 years of age;

01 (3) has applied for educational grants or scholarships that the person is
02 otherwise eligible for as recommended by the educational institution;

03 (4) has applied for an available federal education loan;

04 (5) is under 24 years of age; and

(6) has an academic average of 3.0 in an accredited secondary school
program.

05 (b) The amount of the waiver to which a person is entitled under this section is
06 the amount of unmet need for tuition determined by the
07 commission, after deducting funding for the school year from education loans, grants,
08 or scholarships received by a person eligible for a waiver.

09 (c) The proceeds of an education loan, grant, or scholarship received by a
10 person eligible for a waiver under this section must be paid to the educational
11 institution to offset the person's tuition, fees, and room and board expenses.

18 * **Sec. 3.** AS 14.43.160 is amended by adding a new paragraph to read:

19 (7) "out-of-home care" has the meaning given in AS 47.14.400.

old 7

12
adopted

26-GH2771A.11
Kane
2/17/10

AMENDMENT

OFFERED IN THE HOUSE
TO: HB 297

BY REPRESENTATIVE EDGMON

- 1 Page 4, line 16, following "opportunities":
- 2 Insert ";
- 3 (9) increasing participation of Alaska high school students in Alaska
- 4 postsecondary institutions"

Adapted = unmet need, scholarship component
 1, 2, 3, 8, 9 ^{discussion} ~~ACPE memo~~, ~~10~~

Withdrawn, 4, 5, 6, 7,

10, to be considered single scholarship

AMENDMENT #13 *Adopted w/out debate*

OFFERED IN THE HOUSE
TO: HB 297

- 1 Page 5, line 22, following "curriculum":
- 2 Insert ", which may include virtual curriculum,"
- 3
- 4 Page 6, line 17, following "curriculum":
- 5 Insert ", which may include virtual curriculum,"

Alaska Department of Education & early Development
 Responses to questions provided by the Senate Education Committee

1) What percentage of schools is currently unable to attain these academic standards?

School Course Offerings Counts for Mathematics and Science

Each number provided in the right column below is unique—total 339 schools considered as they have high school students enrolled.

- Schools offering a least four courses each year 57
- Schools offering at least four unique courses over two years 87
- Correspondence or Alt school within district with other options 52
- Low enrollment or less than current 38
 - Required offerings (distant or correspondence likely necessary)
- Offer less than four years of mathematics 33
 - 2 math courses 12
 - 3 math courses 21
- Offer less than four years of science 72
 - 2 science courses 31
 - 3 science courses 41

Estimates based on data based on school staffing reports, school type, school grade configuration, enrollment counts, district web sites, district curriculum continuums provided to EED, district instructional audit.

2) What is in place to help those schools?

Distance delivered instruction has evolved dramatically in the last ten years as access to internet technology and bandwidth have increased. Traditional distance delivery, where a lone student struggles on his/her own to learn complicated concepts with a book and a distantly connected adult proctor, is very rare. Today, a number of innovative program options and strategies are used by districts and colleges in Alaska to provide quality core and elective coursework for students. Strategies may include:

Learning Centers: Students using distance courses are commonly centralized into a learning center and actively supervised by a teacher who monitors course progress, learning focus, and technology utilization. Learning Center staff provides individual encouragement,

instructional assistance, and access to highly qualified teachers. Students are encouraged to work collaboratively and to assist one another.

Access to Highly Qualified Teachers: Some districts contract with off-site, content teachers to provide remote assistance for students engaged in distance coursework. Students are encouraged to contact their assigned specialists as necessary. E-mail is usually the form of contact but voice contact is also common.

Asynchronous Distance Learning: Coursework that allows students to engage in high school or college level learning activities at their own pace in any place that has internet connectivity. While the quality of distance delivery options may vary, significant progress has been made to design and develop quality distance coursework. Many real-time options are embedded into distance delivery including interactive e-mail or voice discussions with other students or instructors. Asynchronous distance learning is popular in Alaska because it does not require extensive bandwidth to operate. Colleges and universities around the country are using this technology to offer college courses.

Synchronous Distance Learning: Synchronous learning connects teachers to students in real time through the use of internet-based, interactive video conferencing. Synchronous learning technology allows students from multiple sites to receive instruction directly from a teacher. Some districts are even using this technology to teach band. While synchronous delivery holds real promise, it is limited in use because it is a heavy user of bandwidth and sensitive to inclement weather

Alternative Education Programming: The sophistication of distance courseware has evolved to a point where many districts allow students in brick and mortar schools to select distance-learning courses as an alternative to classroom instruction.

Districts that provide asynchronous learning courseware for their students have several options to select courseware:

- District designed
- State approved distance delivery schools
- Commercial
- College and University

A number of districts operate local distance programs as options for their home school and brick and mortar students. The following statewide programs assist students outside of their districts.

| | | |
|---|---|---|
| <p>Chugach Schools <u>Chugach Extension Correspondence</u> 9312 Vanguard Dr Anchorage, AK 99507 Telephone: (907) 522-7400 Fax: (907) 522-3399 Grades: PK - 12 <u>Annie Dougherty</u>, Head Teacher <u>Bob Crumley</u>, Superintendent</p> | <p>Copper River Schools <u>Copper River Correspondence</u> Box 108 Glennallen, AK 99588 Telephone: (907) 822-3234 Fax: (907) 822-5933 Grades: KG - 12 <u>Ramona Henspeter</u>, Teacher/Advisor <u>Michael Johnson</u>, Superintendent</p> | <p>Craig City Schools <u>PACE Correspondence</u> Box 800 Craig, AK 99921 Telephone: (907) 826-3274 Fax: (907) 826-2974 Grades: KG - 12 <u>Bill Taylor</u>, Principal <u>Jim Thomas</u>, Superintendent</p> |
| <p>Delta-Greely Schools <u>Delta Cyber School</u> PO Box 369 Delta Junction, AK 99737 Telephone: (907) 895-1043 Fax: (907) 895-5198 Grades: KG - 12 <u>Duncan Ware</u>, Principal <u>PJ Ford Slack</u>, Superintendent</p> | <p>Denali Borough Schools <u>Denali Peak Program</u> PO Box 280 Healy, AK 99743 Telephone: (907) 683-7325 Fax: (907) 683-0329 Grades: KG - 12 <u>Jeni Mason</u>, Principal <u>Kim Langton</u>, Superintendent</p> | <p>Galena City Schools <u>Ivanof Bay School</u> 2157 VanHorn Rd Fairbanks, AK 99701 Telephone: (907) 374-2200 Fax: (907) 374-2286 Grades: PK - 12 <u>Tim Cline</u>, Director <u>Jim Smith</u>, Superintendent</p> |
| <p>Iditarod Area Schools <u>Distance Learning/Corresp. Ctr.</u> Box 772182 Eagle River, AK 99577 Telephone: (907) 694-6100 Fax: (907) 694-6105 Grades: PK - 12 <u>Joe Banghart</u>, Superintendent <u>Joe Banghart</u>, Superintendent</p> | <p>Nenana City Schools <u>CyberLynx Correspondence Program</u> PO Box 599 Nenana, AK 99760 Telephone: (907) 832-5423 Fax: (907) 832-5468 Grades: PK - 12 <u>John Abrams</u>, Principal <u>Eric Gebhart</u>, Superintendent</p> | <p>Southeast Island Schools <u>SE Island Correspondence</u> PO Box 19569 Thorne Bay, AK 99919 Telephone: (907) 828-8254 Fax: (907) 828-8257 Grades: PK - 12 <u>Kathy Shirley</u>, Teacher <u>Lauren Burch</u>, Superintendent</p> |
| <p>Yukon-Koyukuk Schools <u>Raven Correspondence School</u> 4762 Old Airport Way Fairbanks, AK 99709 Telephone: (907) 374-9401 Fax: (907) 374-9440 Grades: PK - 12 <u>Andrea Berg</u>, Director <u>Kerry Boyd</u>, Superintendent</p> | | |

3) If a school needs to offer a virtual curriculum to meet the standards, who pays for the upgrade?

Districts that offer distance options are responsible for the cost of the program. A number of commercial vendors are available. The vast majority of districts, if not all, support some form of distance delivery for students.

Parents in Alaska have the option of co-enrolling in both statewide correspondence programs and traditional brick and mortar schools. This arrangement generates a shared ADM between the statewide school and the local district.

4) In some schools it takes five years to do a science program. If the student is pursuing classes full time, but unable to graduate in four years, due to no fault of the student, can it be extended?

The GPS program provides eligibility for eight semesters over six years.

If the question refers to graduation from high school, the GPS does not set a limit on how long it takes a student to graduate from high school. The six year program eligibility limit begins from the date of high school graduation.

If the student is not able to complete the rigorous curriculum demanded by GPS, he or she may apply for an alternative pathway. If approved, the alternative pathway will provide an alternative opportunity for the student to meet the GPS curricular requirements.

Sec. 14.43.830. (b) The department shall establish a make-up procedure or alternative pathway for students who are not eligible for a scholarship to make up a deficit by alternative means if the deficit was caused by circumstances that would make it unfair not to allow the student to make up the deficit. The department may not waive a requirement and shall require the student to achieve a result comparable to that required of other students. The decision of the department regarding a student's eligibility for alternative means is final. In determining circumstances in which the student may pursue alternative means, the department shall consider the fairness to students who have met the requirements and the need to promote the goals of the program. Attendance at a high school outside of the state is not a circumstance in which fairness requires that a student be allowed to pursue alternative means to qualify for a scholarship.

Circumstances in which the department may allow a student to pursue alternative means to qualify for a scholarship include the following:

- (1) the required curriculum was not reasonably available to the student because the student attended a small and remote high school in the state;
- (2) the deficit was caused by rare and unusual circumstances outside the control of the student.

The Commissioner will develop in conjunction with the State Board of Education, a process to consider requests for a make-up procedure or alternative pathway for students who are not eligible for a scholarship to make up a deficit by alternative means if the deficit was caused by circumstances that would make it unfair not to allow the student to make up the deficit.

Regulations adopted by the State Board of Education require an opportunity for public hearings, comments and public discussions.

5) Wyoming has an explicit phase in for current students. How would the department phase in the course requirements so that students already in high school could be eligible?

The GPS has defined specific language in the Statute that allows the program standards (curriculum, standardized assessment, and G.P.A.) to be waived during a phase-in of the GPS requirements. The phase-in will take four years.

The Alaska Board of Education will be responsible to develop the regulations that govern implementation and operation of the GPS, including the phase-in requirements. The State Board's regulatory process requires a period of public hearings and comment followed by majority vote to accept the regulations. The process is lengthy, thorough and public.

6) Wyoming defines required courses, i.e., Algebra I, Geometry and Algebra II.

The intent of the GPS is to prepare students to engage successfully in college-level coursework. Following action by the State Board of Education, the department will publish a list of **courses and content specifications** that will meet the rigorous course requirements required by GPS. The following will provide a framework for the State Board to consider as content specifications are forged into regulations.

- Successful completion of Advanced Placement courses and college courses will meet curricular requirements.
- Students who meet the curriculum requirements for an Academic Scholarship also meet the requirements for a Career Tech Scholarship.
- It is the intent of GPS that, beginning in their 6th grade year, each student be counseled annually concerning their course history, options for future course selections, and consequences attached to selecting course pathways. Students, parents and a school official will meet yearly to review the student's seven-year plan and to discuss opportunities for scholarships.
- DRAFT Course List: The list of courses is not exhaustive. Alternative courses must be approved by EED. The course content specifications are more important than the course title.
- EED will work closely with both school districts and the University of Alaska to ensure that the final course list is consistent with GPS goals.

Sample GPS Course List

Science (Four Years)

Earth Science
 Biology
 Chemistry
 Physics
 *Physical Science
 Computer Science
 *Power Mechanics
 Marine Science

*Career Tech Approved
 Choose three from above plus one additional science course.
 Courses which districts intend to be used as the functional equivalent of the specified science courses, must be approved by EED.

Social Studies (Three Years)

World History
 +US History
 Sociology
 Psychology
 Geography
 American Government
 Civics
 Economics
 +Alaska History
 +One credit of US History and .5 Credits of Alaska History is required under current law.

Math (Four Years)

~Algebra I
 ~Algebra II
 ~Geometry
 Trigonometry & Analytic Geometry
 College Algebra
 Calculus
 *Business Math
 *Applied Math
 Statistics and Probability

Choose one additional approved math course
 *Career Tech Approved
 ~Recommended minimum math coursework to qualify.
 Courses which districts intend to be used as the functional equivalent of the specified math courses, including courses taken before grade nine used to satisfy the level of the requirement of Algebra I, Algebra II, and Geometry must be approved by EED.

Language Arts Standards (Four Years)

Reading
 Writing
 Listening
 Speaking

Students must select four years of language arts at the college or industry preparatory level in grades 9 through 12, to include standards in Reading, Writing, Listening, and Speaking.

7) Can private individuals make donations to the fund?

Yes, SB224 includes language that allows donations to the fund.

* Sec. 7. AS 37.14 is amended by adding new sections to read:

Article 8A. Governor's Performance Scholarship Fund.

Sec. 37.14.750. Governor's performance scholarship fund established. (a)

The governor's performance scholarship fund is established as a fund of the state. The fund consists of

- (1) appropriations to the fund;
- (2) donations to the fund; and
- (3) income earned on investments of fund assets.

8) Issue of first in, last out—would that make students hesitant to apply for other scholarships and grants, which would reduce the cost the following years if it was a multiyear grant?

No. While it is difficult to predict applicant behavior psychology, the GPS, even with the needs-based assistance, will not provide 100% of the cost of attendance. Students should be encouraged by their parents and counselors to apply for the maximum awards possible. The need to fully inform parents and students is another reason why a multi-year college plan with annual reviews is important to the program's success.

Students will apply because they will be required to complete the FAFSA which automatically puts them in the pool for federal aid and also because it is in their own best interest to since the needs based portion is limited to 50% of unmet need. The motivation there will be to get that unmet need amount as small as possible which will be mutually beneficial to the student and the state. They may not go to the trouble of applying for non-federal or institutional aid but that will be to their own disadvantage. We will also make it perfectly clear that the state has no legal obligation to appropriate from one year to the next.

9) Why the six year cap? Can that be extended? If the students starts using the scholarship in their sixth year, then do they receive all eight semesters thereafter?

The administration has several objectives in proposing this timeframe. First and foremost, in terms of ensuring student success, there is a growing body of research documenting that students who go directly to higher education are more likely to complete their higher education goals, and do so at less cost, than those who stop out or who attend over a longer period. In terms of managing and forecasting the state's potential financial obligations under the program, it establishes a terminal date after which the state no longer has an outstanding obligation to the individual. In terms of achieving measurable success for the state, a six-year limit ensures that the program comports with federal standards for reporting collegiate-level student success, defined as the percent of students completing a four-year degree within 150% of the normal period. It is important to note that the bill specifically excludes a period of military service from the six-year period, thereby extending the timeframe by that period. While most state merit programs require that otherwise eligible students begin their program of study within one year of high school graduation, in developing this proposal the administration sought a balance between the value of immediately continuing into postsecondary education and training and the tendency of young Alaskans to want to explore the world beyond our state's borders.

10) "meets other minimum qualifications to apply or continue to be eligible for a governor's performance scholarship." What does this mean. What are the other requirements? Who sets them?

The phrase "meets other minimum qualifications to apply or continue to be eligible for a governor's performance scholarship." (Sec. 14.43.815 A4) refers to the programmatic standards for eligibility, G.P.A. requirements and qualifying scores on a college entrance examination.

11) "...a process through which a student who is no longer eligible can regain eligibility;" What is that process? Who determines it?

The criteria for losing eligibility will be set in regulation by the State Board of Education. The following criteria will be submitted to the State Board for regulatory consideration.

Criteria for Losing Eligibility: A student will lose eligibility if/once the student:

- does not take advantage of the scholarship within the six year limit following graduation from high school. Military service may extend this timeline;
- completes eight semesters of eligibility;
- does not maintain a grade-point average of 2.5 at a qualified postsecondary institution;
- does not meet other minimum qualifications to apply or continue to be eligible for a governor's scholarship;
 - ✓ has not complied with the military selective service registration requirements imposed under 50 U.S.C. App. 453 (Military Selective Service Act), if those requirements apply to the student;
 - ✓ is currently in default or owes a refund on a federal financial aid loan under the federal guaranteed student loan program or financial aid awarded under this chapter; or
 - ✓ has been convicted of a felony in the state or another jurisdiction and has not qualified for a waiver under standards adopted by the department.
- does not maintain Satisfactory Academic Progress (SAP) – completing a minimum number of credits relative to their enrollment status (at least 6 for half-time and at least 12 for full-time). [

Students may regain eligibility by meeting this requirement for one subsequent semester during which they are not eligible to receive their GPS award.

Student eligibility is certified by the institution disbursing the GPS funds received from ACPE.

12) Should requirement options be offered? Three years of math and two years of a foreign language, for instance.

Section AS 14.43,810 (d)

The program shall be administered to further the following goals:

- (1) increasing high school graduation rates in the state;
- (2) improving academic performance of students in grades kindergarten through 12 in the state;
- (3) improving preparedness of Alaska students for postsecondary education;
- (4) improving the quality of the educational programs offered by high schools in the state;
- (5) increasing the scores of high school students in the state on college entrance examinations;
- (6) increasing job training opportunities in the state;
- (7) improving the postsecondary academic achievement and graduation rates of students in the state
- (8) expanding the pool of high school students in the state who pursue postsecondary opportunities.

Changes in the proposed curricular requirements should be carefully considered in light of the GPS goals. The inclusion of a two year foreign or Alaska Native language requirement with a commensurate reduction in the four-year requirement in Math and Science to three years meets the standards defined as a college prep program. However, four years of math and science are an even greater predictor of college success. Students interested in any degree program that requires strong proficiency in math and science will be well advised to take four years of math and science.

13) What do you expect the ACT/SAT requirements to be? Why are they a part of this if the students are getting the grades?

A standardized achievement test provides an opportunity to ensure that an applicant's G.P.A. is not the result of grade inflation and that the student's qualifying coursework was academically rigorous. For this purpose, the qualifying score will be of sufficient scale to validate G.P.A. and curricular rigor. Qualifying scores will be used to validate G.P.A. and curriculum rigor rather than representing a barrier to scholarship access. The State Board of Education will set the SAT/ACT standard. **(The exact achievement will be approved by the State Board of Education).**

Students will have the option of using the ACT and SAT for Academic performance scholarships. Students who qualify for the Career and Technical scholarship may use the ACT, SAT or WorkKeys as the qualifying assessment.

Merit program without a standardized assessment have no external measure of a students' academic fitness for college. Research studies have established a clear link between ACT/SAT performance and a students' performance during their first year of college. If students enter college or the GPS program as a result of grade inflation or general coursework, the goals of the GPS will not be met. Students will continue to require both remedial education and increased academic failure.

ACT has identified the minimum score needed on each ACT test to indicate a **50% chance of obtaining a B** or higher or about a **75% chance of obtaining a C** or higher in the corresponding first-year college course.

| ACT Test | ACT Benchmark Score | College Course |
|----------|---------------------|----------------------------|
| English | 18 | English Composition |
| Math | 22 | Algebra |
| Reading | 21 | Social Sciences/Humanities |
| Science | 24 | Biology |

The ACT[®] test assesses high school students' general educational development and their ability to complete college-level work.

The ACT is universally accepted for college admission.

The ACT is curriculum-based. The ACT is not an aptitude or an IQ test. Instead, the questions on the ACT are directly related to what students have learned in high school courses in English, mathematics, and science. Because the ACT tests are based on what is taught in the high school curriculum, students are generally more comfortable with the ACT than they are with traditional aptitude tests or tests with narrower content. Colleges use the ACT and the SAT Reasoning Test because there are substantial differences in funding, curricula, grading, and difficulty among U.S. secondary schools due to American, local control, and the prevalence of private, distance, home schooled students and, most importantly, lack of rigorous college entrance examination system like those used in other countries. ACT/SAT scores are used to supplement the secondary school record and help admission officers put local data—such as course work, grades, and class rank—in a national perspective.

14) Why does someone have to fill out a FAFSA form if they are not interested in getting any financial aid?

FAFSA is the Free Application for Federal Student Aid, and it is a required application for students who want to apply for federal and state financial aid and college scholarships. Most public and private colleges require students who want to apply for **any** financial aid or

college scholarships to submit the FAFSA every year they are in college if they want to be considered for such awards.

There are several reasons to require the FAFSA for the GPS program. They include:

- The FAFSA is the most cost effective method to ensure that GPS funds are used for their intended purpose. The development of a form unique to the GPS would be expensive to develop and difficult to manage. ACPE already uses FAFSA data in aid administration.
- The FAFSA has been redesigned to simplify the application process.
- The University of Alaska uses data derived from the FAFSA to determine financial need. ACPE and UA staff also host annual FAFSA completion events to help families fill out the FAFSA.
- The FAFSA provides statistical data that will help ensure that the GPS achieves the goals defined in legislation. The Legislature will use this data to determine if the GPA is meeting the goals outlined in the GPS legislation.

15) Goals—do you really want intent language in the bill? Should that not be in an accompanying letter?

It is important that the intent language remain in the legislation. The GPS is designed to:

- inspire Alaska's youth to engage in a rigorous college curriculum;
- invite youth to work to their full potential as learners;
- demand that communities, school leaders, teachers and students work collegially to ensure that every child is provided an educational program that prepares him/her for college or tech school; and to
- ensure that Alaska has a trained workforce necessary for Alaska's economy to thrive.

The GPS intent language is a constant reminder that the GPS is much more than a scholarship program.

16) Currently the language excluded anyone who graduates before June 30, 2010. What do we tell students who worked *this year* to earn this, but are not allowed to receive it?

There is no answer to this question that will satisfy either the person asking the question or the one who answers. Every program has to have a beginning. While there may be options to reach back a year to the class of 2010, each will create a new challenge. If 2010 is included...why not 2009, 2008 and so forth.

The GPS is designed as a partnership between a student and the state. If the student engages in a rigorous curriculum, achieves a qualifying G.P.A. and SAT/ACT score, Alaska will

provide support for postsecondary education. The GPS is not a reward as much as it is a contractual invite for excellence.

If members of the class of 2010 selected college/career tech classes based on the possibility of the GPS being funded, they are better prepared for college. No public statements have included the class of 2010 in the program.

17) This is a complicated bill, with many different components. Is this too much to do in one year?

Absolutely Not. Alaska does not have to reinvent the wheel. There are many examples of merit-based scholarship programs in the United States. Departmental staff and attorneys are already working on regulatory language necessary to implement the GPS for the Class of 2011. The State School Board is prepared to consider and deliberate on these proposed regulations.

The Alaska Department of Education, the Alaska Commission on Postsecondary Education, the Department of Labor and Workforce Development and the University of Alaska are ready to move forward as soon as the GPS is approved by the Legislature and signed by the Governor.

If enacted thousands of Alaska's youth in the Class of 2011 will be able to participate.

18) Should the awards to career scholars be limited to \$3,000? Why was that scholarship limited to \$3,000 when the cost of attendance can be greater?

The cost of attendance at Career and Technical schools varies considerably. The highest cost of tuition at AVTEC is \$5,000 for the Licensed Practical Nurse program (176 training days) and \$1,320 for the Certified Nurse Assistant (38 training days). The cost of tools for the Automotive Technology (197 training days) and the Diesel/Heavy Equipment (197 training days) programs are both higher than the cost of tuition. The tuition for the majority of programs at AVTEC are below \$3,000.

Students who qualify for one of the performance scholarships may carry that award to an approved technical school program. This is significant in that the majority of the career and technical school programs in Alaska are offered by the University of Alaska. Students who earn a Career and Technical Scholarship may use it at the University of Alaska.

The Unmet Financial need proposed by the GPS will assist those students who qualify for a Career and Technical Education GPS award and have unmet financial need. Unmet need includes the cost of room and board, tools and other costs of attendance.

AVTEC Training Dates

Alaska Culinary Academy

- ‡ **Professional Cooking & Baking**, 210 training days
Offered 01/05/10 to 12/16/10, 08/16/10 to 06/30/11

Alaska Maritime Training Center Courses

- ‡ **Marine License Preparation - Master Mate**, 45 training days
- of the Engine Department (QMED) Oiler**, 60 training days
Offered 09/13/10 to 12/08/10

Allied Health Department - Anchorage Training Facility

- ‡ **Certified Nurse Assistant (CNA)**, 38 training days
Offered 01/04/10 to 02/26/10, 02/03/10 to 03/30/10, 03/08/10 to 04/28/10,
04/05/10 to 05/27/10, 05/05/10 to 06/29/10, 06/07/10 to 08/03/10, 07/12/10 to 09/01/10
- ‡ **Licensed Practical Nurse (LPN)**, 176 training days
Offered 01/04/10 to 11/18/10, 08/16/10 to 07/01/11

Applied Technologies Department

- ‡ **Automotive Technology**, 197 training days
Offered 01/05/10 to 12/17/10, 08/16/10 to 06/09/11
- ‡ **Combination Welding**, 172 training days
Offered 01/25/10 to 12/17/10, 08/16/10 to 05/04/11
- ‡ **Diesel/Heavy Equipment Technologies**, 197 training days
Offered 01/05/10 to 12/17/10, 08/16/10 to 06/09/11
- ‡ **Industrial Electricity**, 197 training days
Offered 08/16/10 to 6/09/11
- ‡ **Pipe Welding**, 75 training days
Offered 01/19/10 to 05/05/10, 09/01/10 to 12/17/10
- ‡ **Power Plant Operation**, 40 training days
Offered 01/11/10 to 03/05/10, 03/17/10 to 05/11/10
- ‡ **Structural Welding**, 97 training days
Offered 01/25/10 to 06/11/10, 08/16/10 to 01/17/11

Information Technology Department

- ‡ **Business & Office Technology**, 183 training days
Offered 01/05/10 to 12/17/10, 08/16/10 to 05/19/11
- ‡ **Information Technology**, 188 training days
Offered 08/16/10 to 05/26/11
- ‡ **Web Development Technology**, 188 training days
Offered 08/16/10 to 07/12/11

Building Trades Technology

- ‡ **Facility Maintenance Construction Trades**, 188 training days
Offered 08/16/10 to 05/26/11
- ‡ **Plumbing & Heating**, 102 training days
Offered 01/05/10 to 05/28/10

AVTEC Training Cost * Costs Effective July 1, 2009

| Program | Tuition | Technology Fee ¹ | Security Deposit | Student Service Fee* | Meal Plan ⁴ | Dormitory Fees | Dorm Security Deposit ³ | Books/Supplies ² sold by AVTEC | Tools/Supplies Not sold by AVTEC | Total |
|--|---------|-----------------------------|------------------|----------------------|------------------------|----------------|------------------------------------|---|----------------------------------|----------|
| Qualified Member of the Engine Department (QMED) Oiler | \$1,650 | \$150 | \$50 | \$75 | \$1,573 | \$1,820 | \$200 | \$155 | \$655 | \$6,328 |
| Marine License Preparation - Master Mate | \$1,650 | \$150 | \$50 | \$75 | \$1,086 | \$1,260 | \$200 | \$302 | N/A | \$4,773 |
| Certified Nurse Assistant | \$1,320 | N/A | N/A | N/A | N/A | N/A | N/A | \$580 | N/A | \$1,900 |
| Licensed Practical Nurse | \$5,000 | \$150 | \$50 | N/A | N/A | N/A | N/A | \$360 | N/A | \$5,560 |
| Business & Office Technology | \$2,750 | \$150 | \$50 | \$75 | \$3,400 | \$4,400 | \$200 | \$1,800 | N/A | \$12,825 |
| Information Technology | \$2,750 | \$150 | \$50 | \$75 | \$3,400 | \$4,400 | \$200 | \$2,600 | N/A | \$13,625 |
| Web Development Technology | \$2,750 | \$150 | \$50 | N/A | N/A | N/A | N/A | \$2,400 | N/A | \$5,350 |
| Professional Cooking & Baking | \$2,750 | \$150 | \$50 | \$75 | \$3,400 | \$4,400 | \$200 | \$1,425 | \$300 | \$12,750 |
| Automotive Technology | \$2,750 | \$150 | \$50 | \$75 | \$3,400 | \$4,400 | \$200 | \$600 | \$3,600 | \$15,225 |
| Diesel/Heavy Equipment Technologies | \$2,750 | \$150 | \$50 | \$75 | \$3,400 | \$4,400 | \$200 | \$1,050 | \$3,700 | \$15,775 |
| Industrial Electricity | \$2,750 | \$150 | \$50 | \$75 | \$3,400 | \$4,400 | \$200 | \$950 | \$2,300 | \$14,275 |
| Pipe Welding | \$1,650 | \$150 | \$50 | \$75 | \$1,700 | \$2,100 | \$200 | \$570 | \$700 | \$7,195 |
| Power Plant Operation | \$1,320 | \$150 | \$50 | \$75 | \$975 | \$1,120 | N/A | N/A | \$420 | \$4,110 |
| Structural Welding | \$2,200 | \$150 | \$50 | \$75 | \$1,700 | \$2,200 | \$200 | \$920 | \$600 | \$8,095 |
| Combination Welding | \$2,750 | \$150 | \$50 | \$75 | \$3,400 | \$4,400 | \$200 | \$1,500 | \$800 | \$13,325 |
| Facility Maintenance/Construction Trades | \$2,750 | \$150 | \$50 | \$75 | \$3,400 | \$4,400 | \$200 | \$650 | \$2,000 | \$13,675 |
| Plumbing & Heating | \$2,200 | \$150 | \$50 | \$75 | \$1,700 | \$2,200 | \$200 | \$236 | \$1,700 | \$8,511 |

19) Why is the time limit for career scholarships set for two years, while the time limit for the academic scholarships are semesters?

The time limit was set to two years because almost all career and technical education programs are under two years in duration.

Most career and technical education programs are not divided into semesters unless they are offered at a University or College.

ACPE will ensure that the funds are available and disbursed for both semester and non-semester programs.

20) Are the scholarships be transferable between categories? Can a student use a top tier grant to attend a career school?

Under the amended GPS bill before the House Education Committee, students who earn a performance scholarship may use it for a Career and Technical Education program.

Students who achieve a career and technical education GPS award may not use it at the University unless they are engaged in a career and technical education program.

21) The statue says the eligible career and technical schools are certified by DLWD each September. Would you use last year's list? By September a student would already be enrolled at a school.

The certification by the Department of Labor and Workforce Development will be for the following year or semester of attendance.

22) Is there any kind of financial cap for the needs based scholarship? The merit scholarship is capped at 2010-2011 tuition rates. (Currently the Alaska Scholars program, capped at 1998 levels, promises a full tuition, but only pays \$2750 of tuition.)

There is no total dollar cap for needs-based under the amended GPS program amendment approved by the House Education Committee other than the amount may not exceed 50% of unmet need as calculated based upon the standard cost of attendance at UA.

Governor's Performance Scholarship Aid by Family Income

Assumes: Minimal net assets
 Family size of four/one in college
 Dependent student, attending full-time and residing on campus
 Cost of attendance is averaged between UAA/UAF for 2009-10 year

A-level GPS Award

| Family income | \$25,000 | \$50,000 | \$75,000 | \$100,000 |
|-----------------------------|----------|----------|-----------|-----------|
| Cost of Attendance | \$18,500 | \$18,500 | \$18,500 | \$18,500 |
| Less Pell Grant | -\$5,550 | -\$0 | -\$0 | -\$0 |
| Remaining Costs | \$12,950 | \$18,500 | \$18,500 | \$18,500 |
| Less GPS | -\$4,775 | -\$4,775 | -\$4,775 | -\$4,775 |
| Remaining Costs | \$8,175 | \$13,725 | \$13,725 | \$13,725 |
| Less EFC | -\$2,000 | -\$6,772 | -\$14,157 | -\$15,401 |
| Unmet Need | \$6,175 | \$6,953 | \$0 | \$0 |
| Less Needs GPS @ 50% | -\$3,088 | -\$3,476 | \$0 | \$0 |
| Remaining Costs | \$3,088 | \$3,477 | \$0 | \$0 |
| | | | | |
| Total State Aid | \$7,862 | \$8,251 | \$4,775 | \$4,775 |
| Total Student & Family Paid | \$5,087 | \$10,249 | \$13,725 | \$15,401 |

Note: Actual results will vary based on family size, net assets, enrollment level, eligibility for additional non-loan aid, dependency status of student and whether the student resides: at home, on campus, or off campus but independent from parental household.

Provided by Diane Barrans February 25, 2010

Governor's Performance Scholarship Aid by Family Income

Assumes: Minimal net assets
 Family size of four/one in college
 Dependent student, attending full-time and residing on campus
 Cost of attendance is averaged between UAA/UAF for 2009-10 year

B-level GPS Award

| Family income: | \$25,000 | \$50,000 | \$75,000 | \$100,000 |
|-----------------------------|----------|----------|-----------|-----------|
| Cost of Attendance | \$18,500 | \$18,500 | \$18,500 | \$18,500 |
| Less Pell Grant | -\$5,550 | -\$0 | -\$0 | -\$0 |
| Remaining Costs | \$12,950 | \$18,500 | \$18,500 | \$18,500 |
| Less GPS | -\$3,566 | -\$3,566 | -\$3,566 | -\$3,566 |
| Remaining Costs | \$9,384 | \$14,934 | \$14,934 | \$14,934 |
| Less EFC | -\$2,000 | -\$6,772 | -\$14,157 | -\$15,401 |
| Unmet Need | \$7,384 | \$8,212 | \$777 | \$0 |
| Less Needs GPS @ 50% | -\$3,692 | -\$4,106 | -\$388 | \$0 |
| Remaining Costs | \$3,692 | \$4,106 | \$389 | \$0 |
| | | | | |
| Total State Aid | \$7,258 | \$7,672 | \$3,954 | \$3,566 |
| Total Student & Family Paid | \$5,692 | \$10,878 | \$14,546 | \$15,401 |

Note: Actual results will vary based on family size, net assets, enrollment level, eligibility for additional non-loan aid, dependency status of student and whether the student resides: at home, on campus, or off campus but independent from parental household.

Provided by Diane Barrans February 25, 2010

Governor's Performance Scholarship Aid by Family Income

Assumes: Minimal net assets
 Family size of four/one in college
 Dependent student, attending full-time and residing on campus
 Cost of attendance is averaged between UAA/UAF for 2009-10 year

C-level GPS Award

| Family income | \$25,000 | \$50,000 | \$75,000 | \$100,000 |
|-----------------------------|----------|----------|-----------|-----------|
| Cost of Attendance | \$18,500 | \$18,500 | \$18,500 | \$18,500 |
| Less Pell Grant | -\$5,550 | -\$0 | -\$0 | -\$0 |
| Remaining Costs | \$12,950 | \$18,500 | \$18,500 | \$18,500 |
| Less GPS | -\$2,378 | -\$2,378 | -\$2,378 | -\$2,378 |
| Remaining Costs | \$10,572 | \$16,122 | \$16,122 | \$16,122 |
| Less EFC | -\$2,000 | -\$6,772 | -\$14,157 | -\$15,401 |
| Unmet Need | \$8,572 | \$9,350 | \$1,965 | \$721 |
| Less Needs GPS @ 50% | -\$4,286 | -\$4,675 | -\$982 | -\$360 |
| Remaining Costs | \$4,286 | \$4,675 | \$983 | \$361 |
| | | | | |
| Total State Aid | \$6,664 | \$7,053 | \$3,360 | \$2,738 |
| Total Student & Family Paid | \$6,286 | \$11,447 | \$15,140 | \$15,762 |

Note: Actual results will vary based on family size, net assets, enrollment level, eligibility for additional non-loan aid, dependency status of student and whether the student resides: at home, on campus, or off campus but independent from parental household.

Provided by Diane Barrans February 25, 2010

23) Does the whole needs based part of it muddy the waters? Should we not just push the merit part, and work on a needs based bill later?

The core of the GPS program is the demand for excellence or merit from students. Discussions in the House and Senate Education Committees evidence that a needs-based component is an important addition to the program.

A provision for need following the achievement of GPS performance standards preserves the integrity of the program as a vehicle to meet the goals delineated in the GPS Legislation.

24) What is the financial cost of the needs based amendment as proposed by the administration?

The inclusion of a needs-based addition to the GPS program will increase the costs of the program. EED Finance Director Eddy Jeans is working on those projections based on the current college-going patterns in Alaska. It is important to note that to the extent the program is successful in encouraging more low-income students into postsecondary education than have historically participated beyond high school, this successful outcome will increase programs costs.

WorkKeys[®]

The WorkKeys[®] system provides employers, schools, students, and community organizations with a common language for building a higher-skilled, higher-paid workforce.

Using WorkKeys . . .

- Employers can identify and develop workers for a wide range of skilled jobs, both professional and technical
- Students and workers can document and advance their employability skills
- Educators can tailor instructional programs to help students acquire the skills employers need.

The WorkKeys system uses job profiling combined with WorkKeys assessments, instructional guidance, and reporting to help students and workers identify their strengths and weaknesses as they pursue their education and career goals. This enables them to make appropriate decisions about jobs.

What skills does WorkKeys measure?

WorkKeys assessments measure nine foundational workplace skills:

- Applied Mathematics
- Applied Technology
- Business Writing
- Listening
- Locating Information
- Observation
- Reading for Information
- Teamwork
- Writing

WorkKeys also measures personal skills:

- Performance — a job applicant's tendency toward unsafe behaviors and attitudes toward work
- Talent — characteristics such as dependability, assertiveness, and emotional stability
- Fit — the interests and values that determine the fit between a candidate and occupations in an organization

What kinds of jobs are profiled?

WorkKeys is used for white-collar professional jobs as well as jobs on the shop floor.

More than 15,000 unique job titles, ranging from accountant to automotive technician and from welder to webmaster, have been profiled.

WorkKeys is also the foundation of the ACT National Career Readiness Certificate, a nationally recognized credential for job seekers.

What companies are using WorkKeys?

Thousands of companies across the United States and worldwide have experienced the benefits of WorkKeys in a broad range of high technology, manufacturing, service, and retail environments. WorkKeys has been used in virtually every industry.

Review these examples of [WorkKeys case studies](#) to see how companies have used WorkKeys.

What benefits have companies that use WorkKeys experienced?

Companies that use the WorkKeys system to assess their incoming and current workforce typically achieve substantial benefits, including:

- Improved employee selection and advancement procedures
- Reduced overtime
- Reduced turnover
- Increased productivity
- Fewer legal challenges over hiring processes
- Higher employee morale

For specific examples, see [WorkKeys case studies](#).

Why should students, parents, and educators care about these tests?

All students enter the workforce eventually—whether they get a job right out of high school, work part-time while continuing their education, or go through extensive postsecondary training.

WorkKeys stresses skills development important for virtually *every* type of employment. In fact, the fastest growing segments of the WorkKeys job analyses are being done for professional, technical, and managerial jobs that require at least a bachelor's degree.

The abilities to learn, listen, communicate, work in teams, and solve problems—all areas addressed by WorkKeys—are important assets for any employee, regardless of career choice. They are also extremely important in today's higher education. (ACT.org)

Graduation requirements

West Anchorage

As with all schools in the Anchorage School District, students must complete 22.5 credits (1 semester = .5 credits), as well as pass the state mandated High School Graduation Qualifying Exam.^[3]

- **Language Arts:** 4 credits (including one semester of composition)
- **Social Studies:** 4 credits (including one semester of each Alaska Studies, Economics, U.S. Government, and Area Studies)
- **Mathematics:** 2.5 credits (all credits are Algebra I material or over)
- **Sciences:** 3 credits (including one year of each life and physical science)
- **Physical Education:** 1.5 credits (must pass Lifetime Personal Fitness test or class. Quarter credit PE waivers are offered for participation in school sponsored sports)
- **Electives:** 7.5 credits

West Valley:

- 4 credits in English/Language Arts
- 3 credits in Mathematics
- 3 credits in Science
- 3 credits in Social Studies
- 1.5 credits in P.E. (can be waived with school sports)
- 0.5 credit in Health
- 7.0 credits in general electives

It is highly recommended that students take at least two years of a foreign language. Languages offered are French, Spanish, German, and American Sign Language.

Ketchikan High School:

- 22 credits total (.5=1 semester)
- 4 English
- 3 Mathematics
- 3 Science
- 3 History (American government required senior year)
- 7 Electives (art, photography, foreign languages, etc.)
- .5 Health (usually taken freshmen year)
- .5 Alaska Studies (as of 2006 — usually taken freshmen year)
- .5 Careers (usually taken sophomore year)
- .5 P.E. (usually taken sophomore year)

STATE OF ALASKA

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

SEAN PARNELL, GOVERNOR

PO BOX 110505
JUNEAU, ALASKA 99811-0505
VOICE (800) 441-2962
In Juneau (907) 465-6740
TDD (907) 465-3143
FAX (907) 465-3293

March 3, 2010

The Honorable Kevin Meyer
The Honorable Joe Thomas
Co-Chairs, Education Committee
Alaska State Senate
State Capitol, Rooms 101, 514
Juneau, Alaska 99801

Subject: SB 224 - An Act establishing the governor's performance scholarship program...
Federal Grant Programs

Dear Senators Meyer and Thomas:

During the committee's recent deliberations on SB 224, members posed several questions which required follow up. Following is the requested information regarding:

- Statewide participation levels relative to college and career outreach and early awareness programs
- Utilization of national standard test(s) scores for the purpose of admission at the University of Alaska
- History of General Fund appropriations for the AlaskAdvantage Education Grant program

Outreach and Early Awareness Participation—Please find enclosed a summary of ACPE's statewide partnership programs with some related participation information.

University of Alaska Admissions Test Standards—In response to my query to University of Alaska administration, the following information was provided:

- *For admissions purposes, UAF uses the ACT or SAT score only when the student's overall high school grade point average (GPA) is below 3.0. If the student's GPA is below 3.0, the cut score is 18 for ACT or 1290 for the SAT.*
- *At UAF, ACT or SAT scores can be used in lieu of minimum overall HS GPA. UAF uses a more competitive admission standard for their baccalaureate programs - hence the option of using standardized scores.*
- *For admission into a UAF baccalaureate degree program, the requirements are:*
 - * *Possess a high school diploma, AND*
 - * *Have a HS GPA of at least 2.5 on the 16-credit high school core curriculum, AND*

Senators Myer and Thomas
March 3, 2010
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** Submit results of the ACT Plus Writing (preferred) or SAT exam taken within the last two years, AND*

Have a an overall high school GPA of at least 3.0, OR

Have a high school GPA of at least 2.5 and ACT Plus Writing score of at least 18 or SAT score of at least 1290 (including writing skills section).

- *SAT / ACT scores are not required for associate or certificate admission at any UA campus nor are they required for admission to UAA or UAS baccalaureate programs.*

History of General Fund appropriations for the Alaska Advantage Education Grant program—In FY09 the legislature approved a \$2.5 million capital appropriation for the award of needs-based education grants. To maximize use of these funds to assist students with the highest needs, ACPE has spread distribution of grants across a three-year period which extends through FY11. ACPE estimates that it will have approximately \$620 thousand remaining in that capital appropriation at the end of the current fiscal year. Total funding for the program in FY11, including federal funds, is expected to be approximately \$740 thousand.

I hope this information is responsive to the committee. Please let me know if you would like anything further.

Sincerely,



Diane Barrans
Executive Director

DB/dv

Attachment



AN INVITE TO EXCELLENCE AND RIGOR

GOALS:

- ✘ *Increase High School (HS) graduation rate.*
- ✘ *More HS students taking rigorous curriculum.*
- ✘ *More course offerings in HS.*
- ✘ *More HS students prepared for postsecondary.*
- ✘ *More-affordable postsecondary.*
- ✘ *More use of in-state postsecondary.*
- ✘ *Contribute to a college going culture.*
- ✘ *Increase the rigor of courses statewide.*

BASIC INFORMATION

- × *Open to graduates of Alaska high schools.*

- × *Open to home school, public school and private school students.*

- × *Use at Alaska postsecondary, private or public*

TYPES OF SCHOLARSHIPS

- ✘ *Three levels of academic scholarships*
- ✘ *One level of career and technical scholarship*

CRITERIA

✖ *Grades*

✖ *Assessments*

✖ *Curriculum*

✖ *Alternative Pathway*

CRITERIA: Grades

- × *“A” average for highest level of academic scholarship*
- × *“B” average for middle level of academic scholarship*
- × *“C+” average for lower level of academic scholarship*
- × *“C+” average for career and technical scholarship*

CRITERIA: Assessments

- ✘ *An established national college-entrance assessment for academic scholarships.*
- ✘ *An established national work-ready assessment for career and technical scholarships.*

CRITERIA: Curriculum

- ✘ *Four years of English*
- ✘ *Four years of Math*
- ✘ *Four years of Science*
- ✘ *Three years of Social Studies*
- ✘ *Options for rural students*

VALUE OF SCHOLARSHIPS

- ✘ *Platinum academic: Equal to 100% of tuition at UA in 2010, for 8 semesters.*
- ✘ *Gold academic: Equal to 75% of tuition at UA in 2010, for 8 semesters.*
- ✘ *Silver academic: Equal to 50% of tuition at UA in 2010, for 8 semesters.*
- ✘ *Career & Technical: Actual tuition up to \$3,000 a year, for two years.*

FUNDING

- ✘ *Use the annual earnings from \$400 million of general fund.*



GOVERNOR'S
PERFORMANCE
SCHOLARSHIP

HB297/SB224

INFORMATION PACKET

JANUARY 2010



EDUCATION
& EARLY DEVELOPMENT

STATE OF ALASKA

Department of Education & Early Development

Office of the Commissioner

SEAN PARNELL, GOVERNOR

*Goldbelt Place
801 West 10th Street, Suite 200
P.O. Box 110500
Juneau, Alaska 99811-0500
Telephone: (907) 465-2800
Fax: (907) 465-4156*

Dear Alaskans,

Alaska's high school graduation rate jumped 5 percentage points last year and we graduated 8,000 students, 1,000 more a year than in recent years. That's great news, and it's a tribute to the efforts of our families and educators. Those are 8,000 Alaskans who have pushed open the door to greater opportunities.

But many of our students still leave school without a diploma. That's why I'm excited that Gov. Parnell has sponsored legislation that provides families with an incentive to make high school a productive experience for students.

The Governor's Performance Scholarship says to our kids: Challenge yourself in high school, work hard, and you can earn a substantial scholarship that helps you fulfill *your* goals in life. We call it GPS because its course requirements help students navigate through high school and into their careers.

What I especially like about Gov. Parnell's program is that it creates both academic and career/technical scholarships. Alaska needs the talents of all of our youth. Our economy offers good jobs for a variety of skills. Let's fill those jobs ourselves.

I also like that the scholarships will be available for students with different levels of academic achievement. I was a school principal for decades, and I know that not every productive adult was an A student in high school. If you take tough courses, study hard and end up with a B or a C+ average, you also qualify for a Governor's Performance Scholarship. That's only right.

But it's not a giveaway program. Students who want to receive a Governor's Performance Scholarship must take four years of English, math and science, and three years of social studies. High school students who take a rigorous curriculum are more likely to do well in college.

You'll be hearing a lot about the Governor's Performance Scholarship this year as the Legislature considers the proposal. I hope you will review the bill and talk to your legislators about it. Please contact Information Officer Eric Fry at 465-2851 or eric.fry@alaska.gov if you have questions.

Sincerely,



Larry LeDoux
Commissioner

Brief talking points for the proposed Governor's Performance Scholarship

In a nutshell:

- The Governor's Performance Scholarship program offers scholarships to Alaska residents who take a rigorous curriculum in high school, get good grades, and score well on an assessment.
- The scholarships may be used only at Alaska technical and academic postsecondary institutions, public and private.
- GPS will be funded from earnings of a portion of the state's savings.

The goals:

- Increase high school graduation rates.
- Increase high school graduates' readiness for postsecondary education.
- Increase the likelihood that Alaska's students will be academically and financially prepared to access and succeed in their postsecondary education.
- Ensure that Alaskans can contribute to a robust state economy as participants in the highly skilled work force.
- Encourage schools to provide a rigorous curriculum.
- Encourage families to feel ownership of their students' education.

More details:

- The GPS awards would first be available to the high school Class of 2011, graduates of which would enter colleges or technical schools in or after fall 2011.
- The high school course requirements would be phased in over time. They are: four years of English, math and science, and three years of social studies.
- Examples of permitted assessments include ACT college-admission tests for academic scholarships and the ACT WorkKeys tests for technical scholarships.

STATE CAPITOL
PO Box 110001
Juneau, Alaska 99811-0001
907-465-3500
fax: 907-465-3532



550 West 7th Avenue #1700
Anchorage, Alaska 99501
907-269-7450
fax 907-269-7463
www.gov.alaska.gov
Governor@alaska.gov

Governor Sean Parnell
STATE OF ALASKA

January 15, 2010

The Honorable Gary Stevens
President of the Senate
Alaska State Legislature
State Capitol, Room 111
Juneau, AK 99801-1182

Dear President Stevens,

Under the authority of Art. III, Sec. 18, of the Alaska Constitution, I am transmitting a bill that will create a merit-based scholarship program for Alaska high school students who pursue higher education in Alaska.

This legislation, referred to as the Governor's Performance Scholarship (GPS), is patterned after successful scholarship programs in 22 other states. The GPS will improve high school graduation rates, prepare students for college or job training, provide Alaskan students with affordable opportunities for higher education, sustain Alaska's economy with a capable workforce, and retain equipped, hardworking Alaskan students.

This bill provides four tiers of scholarship payment for qualified high school graduates. Three of these tiers would be designated for academic scholarships, and the fourth for career and technical school scholarships.

The key feature of the scholarship program is that it is merit-based. All students who participate will be required to complete a more rigorous high school curriculum consisting of four years of language arts, mathematics, and science, and three years of social studies. Students will also be evaluated according to standards established for their grade-point averages and scores on college entrance or work-ready examinations.

The program will provide an incentive for students to challenge themselves in high school and to graduate. It also provides an impetus for schools to enhance curriculum. Studies have shown that students who take a rigorous curriculum in high school are more likely to do well in college and job training programs. Thus, the scholarship recipients will be more likely to achieve their certification or degree.

Students who achieve the highest attainable grade point average and examination scores will be awarded the highest tier of the academic scholarship for an Alaska-based college or university. This tier will equal the full cost of tuition at an Alaskan university for the 2010-2011 school year. The second and third tiers of the academic scholarship will be 75 and 50 percent the amount of

The Honorable Gary Stevens
January 15, 2010
Page 2

respective tuition. Students will be eligible for the academic scholarship for a maximum of eight semesters. Students who qualify for a career or technical school scholarship will receive an award of full fees for training, the maximum at \$3,000 per year. The career and technical scholarship may be used by a student for up to two years.

The GPS will only be accessible to Alaska residents. However, this bill will allow that Alaskan military members and their families will not lose eligibility on account of their service.

The bill will require that money from these scholarships will only be spent at qualified Alaska postsecondary institutions or training programs. Students educated in the state are more likely to remain in the state. This provision encourages our best and brightest young people to remain in the state and prepare qualified Alaskan workers for Alaskan jobs.

The GPS program contains a "use it or lose it" provision: students will have a six-year window to apply the scholarship to a postsecondary institution. This protects the State of Alaska from an extended liability. As previously stated, the bill will provide extensions for Alaskans who serve in the military.

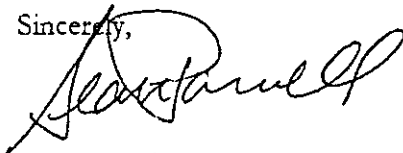
The GPS will be administered by the Alaska Department of Education and Early Development, the Department of Labor and Workforce Development, and the Alaska Commission on Postsecondary Education. Regulations will be adopted to govern the program, grade-point average standard, eligibility criteria and an appeals process to consider extraordinary circumstances. The Alaska Commission on Postsecondary Education will adopt regulations for streamlined application, award, and continuing eligibility standards.

Also, this bill will establish a fund whose earnings could be used to pay for scholarships. The proposed fund is based on other funds established in statute, such as the Alaska Veterans' Memorial endowment fund, and will be managed by the Department of Revenue. Nothing in this bill will establish a dedicated fund.

The GPS is modeled after the famous "Taylor plan," established by private businessman, Patrick Taylor, to keep students in school and motivate them to pursue successful postsecondary education. Currently, twenty-two states have "Taylor like" state-sponsored plans.

I urge your prompt and favorable action on this bill.

Sincerely,



Sean Parnell
Governor

Enclosure

SENATE BILL NO. 224

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/19/10

Referred: Education, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing the governor's performance scholarship program and relating to
2 the program; establishing the governor's performance scholarship fund and relating to
3 the fund; relating to student records; making conforming amendments; and providing
4 for an effective date."

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

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

7 **Sec. 14.03.113. District determination of scholarship eligibility.** A school
8 district shall determine whether a student who graduates from a high school in the
9 district is eligible for an award of a governor's performance scholarship under AS
10 14.43.810 - 14.43.890. If a student is eligible, the district shall include in a student's
11 permanent record the highest tier of funding for which the student is eligible. A district
12 shall provide a student with an opportunity to request that the district correct any
13 errors in the eligibility determination.

14 * **Sec. 2.** AS 14.07.020(a) is amended by adding a new paragraph to read:

1 (18) administer duties assigned to the department under the governor's
 2 performance scholarship program established in AS 14.43.810 - 14.43.890.

3 * Sec. 3. 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 - 14.43.890 [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 - 14.43.890 [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 AS
 19 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 AS
 26 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. 4.** AS 14.43 is amended by adding new sections to read:

12 **Article 11A. Governor's Performance Scholarship.**

13 **Sec. 14.43.810. Governor's performance scholarship established; Alaska**
14 **residency.** (a) The governor's performance scholarship program is established to
15 provide scholarship opportunities for Alaska resident high school graduates to attend a
16 qualified postsecondary institution in the state. The program includes a merit-based
17 academic scholarship and a merit-based career and technical school scholarship. The
18 merit-based academic scholarship consists of three levels of awards. The merit-based
19 career and technical school scholarship consists of one level of award.

20 (b) The Department of Education and Early Development shall design the
21 programmatic standards for the scholarships and appeals of adverse decisions. The
22 Alaska Commission on Postsecondary Education shall administer the daily operations
23 of the program and financing of the program, including the procedures for applying
24 for the scholarships, establishing standards for and ensuring continuing compliance
25 with programmatic standards, and requiring students to apply for other non-loan
26 financial aid, consistent with federal law. The respective agencies shall adopt
27 necessary regulations under AS 44.62 after consultation with each other. The
28 department may change the regulations under AS 44.62 for requirements for
29 programmatic standards for required academic achievement for eligibility only by
30 giving advanced public notice at least one school year before the change.

31 (c) For purposes of this program, a student is an Alaska resident if the student

1 meets the eligibility for residency as described in AS 01.10.055.

2 (d) The program shall be administered to further the following goals:

3 (1) increasing high school graduation rates in the state;

4 (2) improving academic performance of students in grades
5 kindergarten through 12 in the state;

6 (3) improving preparedness of Alaska students for postsecondary
7 education;

8 (4) improving the quality of the educational programs offered by high
9 schools in the state;

10 (5) increasing the scores of high school students in the state on college
11 entrance examinations;

12 (6) increasing job training opportunities in the state;

13 (7) improving the postsecondary academic achievement and
14 graduation rates of students in the state;

15 (8) expanding the pool of high school students in the state who pursue
16 postsecondary opportunities.

17 **Sec. 14.43.815. Qualifications of applicants.** (a) A student may submit an
18 application for a governor's performance scholarship to attend a qualified
19 postsecondary institution in the state if the student

20 (1) has applied or intends to apply for admission to the institution;

21 (2) is an Alaska resident who has

22 (A) graduated, or will graduate no later than six months after
23 the date of the application from a high school in the state, including a public
24 school, private school, and home school;

25 (B) graduated, or will graduate no later than six months after
26 the date of the application from a high school outside of the state under
27 circumstances allowed by the department; for purposes of this subparagraph,
28 allowable circumstances include an Alaska resident high school student having
29 left the state because of the military service of the student's Alaska resident
30 custodial parent;

31 (3) will receive and utilize the scholarship at a qualified postsecondary

1 institution in the state no later than six years after the beginning of the first school year
 2 after a student's graduation from high school, unless the applicant qualifies for an
 3 extension of time allowed by the department; for purposes of this paragraph, standards
 4 for extension of time must include time while the student is in military service; and

5 (4) meets other minimum qualifications to apply or continue to be
 6 eligible for a governor's performance scholarship.

7 (b) A student is not qualified to receive a governor's performance scholarship
 8 if the person

9 (1) has not complied with the military service registration imposed
 10 under 50 U.S.C. App. 453 (Military Selective Service Act), if those requirements were
 11 applicable to the student;

12 (2) is currently in default or owes a refund on a federal financial aid
 13 loan under the federal guaranteed student loan program or financial aid awarded under
 14 this chapter; or

15 (3) has been convicted of a felony in the state or another jurisdiction
 16 and has not qualified for a waiver under standards adopted by the department.

17 **Sec. 14.43.820. Eligibility for an academic scholarship.** (a) Subject to
 18 appropriation, the commission shall award a merit-based academic scholarship to an
 19 applicant who meets the eligibility criteria for the award under the program.

20 (b) The programmatic standards for eligibility for an award of a merit-based
 21 academic scholarship under the program include the following:

22 (1) the four-year core academic curriculum that the student must have
 23 completed in high school; the core academic curriculum must include

24 (A) four years of mathematics;

25 (B) four years of language arts;

26 (C) four years of science; and

27 (D) three years of social studies;

28 (2) the minimum grade-point average that the student must have
 29 achieved in high school to be eligible for each of the three tiers of academic
 30 scholarship;

31 (3) the minimum score on a college entrance examination that the

1 student must have achieved to be eligible for each of the three tiers of academic
2 scholarship;

3 (4) enrollment in a course of study at a qualified university or college
4 in this state that is intended to result in the award of a certificate or degree;

5 (5) a process through which a student who is no longer eligible can
6 regain eligibility;

7 (6) a process through which a home-schooled or private-schooled
8 student may submit evidence to the qualified university or college that establishes the
9 equivalent of the high school diploma, grade-point average, and core academic
10 curriculum for public school students.

11 **Sec. 14.43.825. Eligibility for a career and technical school scholarship.** (a)

12 Subject to appropriation, the commission shall award a merit-based career and
13 technical school scholarship to a student who meets the eligibility criteria for the
14 award under the program.

15 (b) The programmatic standards for eligibility for an award of a merit-based
16 career and technical school scholarship under the program include the following:

17 (1) the core academic curriculum that the student must have completed
18 in high school; the core academic curriculum must include

19 (A) four years of mathematics;

20 (B) four years of language arts;

21 (C) four years of science; and

22 (D) three years of social studies;

23 (2) the minimum grade-point average that the student must have
24 achieved in high school;

25 (3) the minimum score that the student must have achieved on a

26 (A) college entrance examination; or

27 (B) standardized examination designed to measure a student's
28 level of preparedness to make the transition to work, as selected by the
29 department;

30 (4) enrollment in good standing at a certified career and technical
31 school that is intended to result in the award of a certificate that indicates the student's

1 preparedness to enter the workforce;

2 (5) a process through which a student who is no longer eligible can
3 regain eligibility.

4 **Sec. 14.43.827. Maximum awards and allowable uses.** (a) Subject to (b) - (e)
5 of this section, the maximum awards for the program are as follows:

6 (1) for the merit-based academic scholarship, three tiers of scholarship
7 financing awards; the highest tier of award per semester must be equal to the cost of
8 approved tuition at the University of Alaska in school year 2010 through 2011 for a
9 student taking 15 credits, and require very high academic achievement; the second tier
10 must be 75 percent of the highest tier and require high academic achievement; the
11 third tier must be 50 percent of the highest tier and require moderate academic
12 achievement;

13 (2) for the merit-based career and technical scholarship, the award
14 must be the actual cost of the qualified career and technical school attended by the
15 student, not to exceed \$3,000 per school year;

16 (3) a student's academic achievement must be determined by the
17 student's high school grade-point average and score on an examination described in
18 AS 14.43.820(b)(3) and 14.43.825(b)(3).

19 (b) A part-time student who receives a merit-based academic scholarship and
20 is enrolled on at least a half-time basis is eligible for an award on a pro rata basis.

21 (c) A student's eligibility for a scholarship terminates six years after the date
22 the student graduated from high school unless the student qualifies for an extension of
23 time allowed by the department. The department shall recognize the student's military
24 service in making allowances under this subsection.

25 (d) Subject to AS 14.43.815(a)(3), a student receiving a merit-based academic
26 scholarship may remain eligible for up to eight semesters of enrollment at a qualified
27 university or college, which may include graduate courses. A student receiving a
28 merit-based career and technical scholarship may remain eligible for two calendar
29 years of attendance at a qualified career and technical school. A student may not
30 receive both an academic and a career and technical scholarship.

31 (e) The amount of a scholarship award may not exceed the amount of the

1 student's costs of attendance as certified by the postsecondary institution for the
 2 purposes of federal financial aid, less any other scholarships or non-loan financial aid
 3 awarded to the student.

4 **Sec. 14.43.830. Programmatic standards.** (a) Subject to (b) of this section,
 5 the department shall establish programmatic standards for the program.

6 (b) The department shall establish a make-up procedure or alternative pathway
 7 for students who are not eligible for a scholarship to make up a deficit by alternative
 8 means if the deficit was caused by circumstances that would make it unfair not to
 9 allow the student to make up the deficit. The department may not waive a requirement
 10 and shall require the student to achieve a result comparable to that required of other
 11 students. The decision of the department regarding a student's eligibility for alternative
 12 means is final. In determining circumstances in which the student may pursue
 13 alternative means, the department shall consider the fairness to students who have met
 14 the requirements and the need to promote the goals of the program. Attendance at a
 15 high school outside of the state is not a circumstance in which fairness requires that a
 16 student be allowed to pursue alternative means to qualify for a scholarship.
 17 Circumstances in which the department may allow a student to pursue alternative
 18 means to qualify for a scholarship include the following:

19 (1) the required curriculum was not reasonably available to the student
 20 because the student attended a small and remote high school in the state;

21 (2) the deficit was caused by rare and unusual circumstances outside
 22 the control of the student.

23 **Sec. 14.43.835. Qualified postsecondary institutions.** (a) The following
 24 institutions are qualified postsecondary institutions:

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
 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 September 1 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 establishing criteria under which the Department of Labor
5 and Workforce Development shall certify career and technical school programs in the
6 state as eligible to participate in the career and technical school scholarship program.
7 The criteria to be considered under this subsection include the following:

8 (1) the quality of the job-training program offered by the career and
9 technical school;

10 (2) the employability of a graduate of the program, including whether
11 the program results in a certificate or license that is recognized by the industry for
12 which the training prepares the student;

13 (3) whether jobs in the industry for which the training prepares the
14 student are available or expected to be available in the future in the state;

15 (4) other criteria established by the Department of Labor and
16 Workforce Development in regulation.

17 (c) A postsecondary institution is physically located in the state if the campus,
18 teachers, classrooms, school administrators, and equipment used to provide the
19 education to the students are physically present in the state. Use of virtual, electronic,
20 or online materials by teachers in the state does not disqualify a postsecondary
21 institution even if the materials are generated outside the state. However, a
22 correspondence, virtual, electronic, or online program that is administered from
23 outside the state is not physically located in the state even if the program is delivered
24 by teachers or equipment in the state.

25 **Sec. 14.43.840. Application and award.** (a) The commission shall establish
26 application procedures for students to apply for a governor's performance scholarship.

27 (b) The commission shall adopt procedures for payment of scholarship awards
28 to the institution attended by the scholarship recipient. Payment of a scholarship is
29 subject to appropriation. If insufficient funds are appropriated to pay all eligible
30 scholarships, the commission shall pay existing awards on a pro rata basis.

31 (c) A student who is awarded a scholarship in error shall be required to refund

1 to the state the amount of the scholarship awarded in error.

2 **Sec. 14.43.845. Governor's performance scholarship fund income account.**

3 The governor's performance scholarship fund income account is created as an account
4 in the general fund. Money may be appropriated into the account from the expendable
5 earnings of the governor's performance scholarship fund under AS 37.14.750 -
6 37.14.790 and other sources. The commission may use money in the account to pay
7 scholarships awarded to students under AS 14.43.810 - 14.43.890.

8 **Sec. 14.43.850. Report to the legislature.** (a) To the extent permitted under
9 law, the department, commission, University of Alaska, Department of Revenue, and
10 Department of Labor and Workforce Development shall share data necessary to
11 prepare public reports regarding the governor's performance scholarship program.

12 (b) No more than 10 days after the start of each year's legislative session, the
13 department, commission, University of Alaska, Department of Revenue, and
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 governor's performance scholarship program, including

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

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

21 (3) data and trends in the data regarding the goals identified in AS
22 14.43.810.

23 **Sec. 14.43.890. Definitions.** In AS 14.43.810 - 14.43.890, unless the context
24 requires otherwise,

25 (1) "commission" means the Alaska Commission on Postsecondary
26 Education;

27 (2) "commissioner" means the commissioner of education and early
28 development;

29 (3) "department" means the Department of Education and Early
30 Development;

31 (4) "grade-point average" means the average of all grades on a four-

1 point scale, or five-point scale for advanced placement classes, obtained by the student
2 in high school;

3 (5) "military service" means active duty in the armed forces of the
4 United States;

5 (6) "program" means the governor's scholarship program established
6 under AS 14.43.810 - 14.43.890;

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

9 * Sec. 5. AS 14.45.130(a) is amended to read:

10 (a) A religious or other private school that elects to comply with AS 14.45.100
11 - 14.45.130 shall maintain permanent student records reflecting immunizations,
12 physical examinations, standardized testing, academic achievement, [and] courses
13 taken at the school, and level of eligibility for a governor's performance
14 scholarship under AS 14.43.810 - 14.43.890.

15 * Sec. 6. AS 23.05.060 is amended to read:

16 **Sec. AS 23.05.060. Powers of the department.** The department may

17 (1) enforce all state labor laws;

18 (2) act as mediator and appoint deputy commissioners of conciliation
19 in labor disputes whenever it considers the interest of industrial peace requires it;

20 (3) make investigations and collect and compile statistical information
21 concerning the conditions of labor generally and upon all matters relating to the
22 enforcement of this chapter;

23 (4) institute court proceedings against an employer of labor without
24 cost to the employee when it is satisfied that the employer has failed to pay an
25 employee an amount due by contract;

26 (5) issue cease and desist orders and other orders and regulations
27 necessary for the enforcement of state labor laws;

28 (6) in accordance with AS 37.07 (the Executive Budget Act), receive
29 and spend money derived from agreements with local governments, nongovernmental
30 organizations, or other persons;

31 (7) administer duties assigned to the department under the

1 governor's performance scholarship program established in AS 14.43.810 -
 2 14.43.890.

3 * Sec. 7. AS 37.14 is amended by adding new sections to read:

4 **Article 8A. Governor's Performance Scholarship Fund.**

5 **Sec. 37.14.750. Governor's performance scholarship fund established. (a)**

6 The governor's performance scholarship fund is established as a fund of the state. The
 7 fund consists of

- 8 (1) appropriations to the fund;
 9 (2) donations to the fund; and
 10 (3) income earned on investments of fund assets.

11 (b) The commissioner of revenue shall manage the fund with the goal that the
 12 purchasing power of the fund will not diminish over time without regard to additional
 13 contributions that may be made to the fund. The commissioner shall invest the assets
 14 of the fund in a manner likely to yield at least a five percent real rate of return over
 15 time.

16 (c) Nothing in this section creates a dedicated fund.

17 **Sec. 37.14.755. Powers and duties of the commissioner of revenue.** In
 18 carrying out the investment duties under AS 37.14.750 - 37.14.790, the commissioner
 19 of revenue has the powers and duties set out in AS 37.10.071. The commissioner shall
 20 provide reports to the Department of Education and Early Development, Department
 21 of Labor and Workforce Development, and the Alaska Commission on Postsecondary
 22 Education on the condition and investment performance of the fund.

23 **Sec. 37.14.760. Use of fund.** As soon as practicable after July 1 of each year,
 24 the commissioner of revenue shall determine the average month-end market value of
 25 the fund for the immediately preceding three fiscal years. The commissioner shall
 26 identify five percent of that amount as available for appropriation by the legislature for
 27 appropriation to the governor's performance scholarship fund income account created
 28 under AS 14.43.845 from which the Alaska Commission on Postsecondary Education
 29 may award scholarships under AS 14.43.810 - 14.43.890. The commissioner shall also
 30 report as available for appropriation a running total of amounts that had previously
 31 been identified as available for appropriation to the governor's performance

1 scholarship fund income account but that had not been appropriated.

2 **Sec. 37.14.790. Definitions.** In AS 37.14.750 - 37.14.790, unless the context
3 requires otherwise,

4 (1) "commissioner" means the commissioner of revenue;

5 (2) "fund" means the governor's performance scholarship fund
6 established in AS 37.14.750(a).

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

9 **TRANSITION: PROGRAM STANDARDS AND IMPLEMENTATION FOR**
10 **INITIAL SCHOOL YEARS.** Notwithstanding any contrary provision of this Act, the
11 Department of Education and Early Development and the Department of Labor and
12 Workforce Development, after consultation with the Alaska Commission on Postsecondary
13 Education, may adopt regulations under AS 44.62 to implement their respective duties under
14 the governor's performance scholarship program established in AS 14.43.810, enacted by sec.
15 4 of this Act, so that students

16 (1) may be eligible for the program even though they did not fully meet the
17 required core academic curriculum for the school years beginning July 1, 2010 through June
18 30, 2013; and

19 (2) who graduated from high school in this state after June 30, 2010 and
20 before July 1, 2011 and meet eligibility requirements for the program may apply for their
21 scholarships beginning July 1, 2011.

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

24 **TRANSITION: REGULATIONS.** The Department of Education and Early
25 Development, the Department of Labor and Workforce Development, and the Alaska
26 Commission on Postsecondary Education may proceed to adopt regulations necessary to
27 implement changes made to their respective authorities by this Act. The regulations take
28 effect under AS 44.62 (Administrative Procedure Act), but not before September 1, 2010.

29 * **Sec. 10.** Section 9 of this Act takes effect immediately under AS 01.10.070(c).

30 * **Sec. 11.** Except as provided in sec. 10 of this Act, this Act takes effect September 1, 2010.

STATE CAPITOL
PO Box 110001
Juneau, Alaska 99811-0001
907-465-3500
fax: 907-465-3532



550 West 7th Avenue #1700
Anchorage, Alaska 99501
907-269-7450
fax 907-269-7463
www.gov.alaska.gov
Governor@alaska.gov

Governor Sean Parnell
STATE OF ALASKA

January 15, 2010

The Honorable Mike Chenault
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Chenault,

Under the authority of Art. III, Sec. 18, of the Alaska Constitution, I am transmitting a bill that will create a merit-based scholarship program for Alaska high school students who pursue higher education in Alaska.

This legislation, referred to as the Governor's Performance Scholarship (GPS), is patterned after successful scholarship programs in 22 other states. The GPS will improve high school graduation rates, prepare students for college or job training, provide Alaskan students with affordable opportunities for higher education, sustain Alaska's economy with a capable workforce, and retain equipped, hardworking Alaskan students.

This bill provides four tiers of scholarship payment for qualified high school graduates. Three of these tiers would be designated for academic scholarships, and the fourth for career and technical school scholarships.

The key feature of the scholarship program is that it is merit-based. All students who participate will be required to complete a more rigorous high school curriculum consisting of four years of language arts, mathematics, and science, and three years of social studies. Students will also be evaluated according to standards established for their grade-point averages and scores on college entrance or work-ready examinations.

The program will provide an incentive for students to challenge themselves in high school and to graduate. It also provides an impetus for schools to enhance curriculum. Studies have shown that students who take a rigorous curriculum in high school are more likely to do well in college and job training programs. Thus, the scholarship recipients will be more likely to achieve their certification or degree.

Students who achieve the highest attainable grade point average and examination scores will be awarded the highest tier of the academic scholarship for an Alaska-based college or university. This tier will equal the full cost of tuition at an Alaskan university for the 2010-2011 school year. The second and third tiers of the academic scholarship will be 75 and 50 percent the amount of

The Honorable Mike Chenault
January 15, 2010
Page 2

respective tuition. Students will be eligible for the academic scholarship for a maximum of eight semesters. Students who qualify for a career or technical school scholarship will receive an award of full fees for training, the maximum at \$3,000 per year. The career and technical scholarship may be used by a student for up to two years.

The GPS will only be accessible to Alaska residents. However, this bill will allow that Alaskan military members and their families will not lose eligibility on account of their service.

The bill will require that money from these scholarships will only be spent at qualified Alaska post-secondary institutions or training programs. Students educated in the state are more likely to remain in the state. This provision encourages our best and brightest young people to remain in the state and prepare qualified Alaskan workers for Alaskan jobs.

The GPS program contains a "use it or lose it" provision: students will have a six-year window to apply the scholarship to a postsecondary institution. This protects the State of Alaska from an extended liability. As previously stated, the bill will provide extensions for Alaskans who serve in the military.

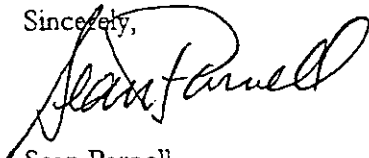
The GPS will be administered by the Alaska Department of Education and Early Development, the Department of Labor and Workforce Development, and the Alaska Commission on Postsecondary Education. Regulations will be adopted to govern the program, grade-point average standard, eligibility criteria and an appeals process to consider extraordinary circumstances. The Alaska Commission on Postsecondary Education will adopt regulations for streamlined application, award, and continuing eligibility standards.

Also, this bill will establish a fund whose earnings could be used to pay for scholarships. The proposed fund is based on other funds established in statute, such as the Alaska Veterans' Memorial endowment fund, and will be managed by the Department of Revenue. Nothing in this bill will establish a dedicated fund.

The GPS is modeled after the famous "Taylor plan," established by private businessman, Patrick Taylor, to keep students in school and motivate them to pursue successful postsecondary education. Currently, twenty-two states have "Taylor like" state-sponsored plans.

I urge your prompt and favorable action on this bill.

Sincerely,



Sean Parnell
Governor

Enclosure

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 224
 (S) Publish Date: 1/19/10

Identifier (file name): 0771-DOLWD-CO-12-09-09 Dept. Affected: Labor and Workforce Development
 Title: Establishing the Governor's Performance Scholarship RDU: Office of the Commissioner
 Program: _____ Component: Commissioner's Office
 Sponsor: Rules Committee
 Requester: Governor Component Number: _____

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 | 25.0 | | | | | | | |
| Supplies | | | | | | | | |
| Equipment | | | | | | | | |
| Land & Structures | | | | | | | | |
| Grants & Claims | | | | | | | | |
| Miscellaneous | | | | | | | | |
| TOTAL OPERATING | 25.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|--|

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

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 | 25.0 | | | | | | |
| 1005 GF/Program Receipts | | | | | | | |
| 1037 GF/Mental Health | | | | | | | |
| Other Interagency Receipts | | | | | | | |
| TOTAL | 25.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2010) cost: None

POSITIONS

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

These funds will be used to contract for services to assist in the drafting of regulations setting criteria for the career and technical school scholarship portion of the bill required under Section 14.43.835 of this legislation.

Prepared by: Guy Bell, Assistant commissioner
 Division: Office of the Commissioner
 Approved by: Click Bishop, Commissioner
 Agency: Department of Labor and Workforce Development

Phone 465-2700
 Date/Time 12/9/09 3:18 PM
 Date 12/9/09

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: SB 224
(S) Publish Date: 1/19/10

Identifier (file name): 0771-DOR-TRS-11-30-09 Dept. Affected: Revenue
Title Governor's Performance Scholarship Endowment Fund RDU Treasury
Component Treasury
Sponsor _____
Requester Governor Component Number 121

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 | 60.0 | | 60.0 | 60.0 | 60.0 | 60.0 | 60.0 | 60.0 |
| Travel | | | | | | | | |
| Contractual | 55.0 | | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 |
| Supplies | | | | | | | | |
| Equipment | | | | | | | | |
| Land & Structures | | | | | | | | |
| Grants & Claims | | | | | | | | |
| Miscellaneous | | | | | | | | |
| TOTAL OPERATING | 115.0 | 0.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 |

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| CAPITAL EXPENDITURES | | | | | | | | |
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| CHANGE IN REVENUES () | | | | | | | | |
|-------------------------------|--|--|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | | | |
|----------------------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1002 Federal Receipts | | | | | | | | |
| 1003 GF Match | | | | | | | | |
| 1004 GF | | | | | | | | |
| 1005 GF/Program Receipts | | | | | | | | |
| 1037 GF/Mental Health | | | | | | | | |
| Other Interagency Receipts | 115.0 | | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 |
| TOTAL | 115.0 | 0.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 | 115.0 |

Estimate of any current year (FY2010) cost: _____

POSITIONS

| | | | | | | | | |
|-----------|--|--|--|--|--|--|--|--|
| Full-time | | | | | | | | |
| Part-time | | | | | | | | |
| Temporary | | | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

The draft bill provides for a separate endowment fund to be set up in the amount of \$400 million to be managed by the Commissioner of Revenue. It is anticipated the fund will be managed with asset allocation of 60% fixed income and 40% domestic equity in order to yield a real annual rate of return of 5%. These costs include investment management fees, audit, accounting and custody fees and are projected based on the assumptions provided by the division's investment advisor and the division's cost allocation plan.

Prepared by: Pamela Green, Comptroller Phone 465-2300
Division Treasury Division Date/Time _____
Approved by: Jerry Burnett, Deputy Commissioner Date 11/25/2009
Department of Revenue

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: SB 224
 (S) Publish Date: 1/19/10

Identifier (file name): An Act establishing the governor's performance Dept. Affected: Education
 Title: scholarship program and relating to the program; establishing the RDU: ACPE
 Sponsor: Rules Component: Program Administration and
 Requester: Governor Component Number: 2738
Operations

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 | 275.0 | | | | | | | |
| Supplies | | | | | | | | |
| Equipment | | | | | | | | |
| Land & Structures | | | | | | | | |
| Grants & Claims | | | 8,221,935.0 | 14,389,278.0 | 18,502,029.0 | 20,556,621.0 | 20,556,621.0 | |
| Miscellaneous | | | | | | | | |
| TOTAL OPERATING | 275.0 | 0.0 | 8,221,935.0 | 14,389,278.0 | 18,502,029.0 | 20,556,621.0 | 20,556,621.0 | |

| | | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|--|

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

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 | 275.0 | | 8,221,935.0 | 14,389,278.0 | 18,502,029.0 | 20,556,621.0 | 20,556,621.0 |
| 1005 GF/Program Receipts | | | | | | | |
| 1037 GF/Mental Health | | | | | | | |
| Other Interagency Receipts | | | | | | | |
| TOTAL | 275.0 | 0.0 | 8,221,935.0 | 14,389,278.0 | 18,502,029.0 | 20,556,621.0 | 20,556,621.0 |

Estimate of any current year (FY2010) cost: _____

POSITIONS

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

ANALYSIS: (Attach a separate page if necessary)

The contractual funds noted above represent the cost of implementation and year one support for scholarship management software.

Analysis of Governor's Performance Scholarship (GPS) utilization rates and related costs follow on page two.

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 1/8/10 12:00 AM
 Date 1/8/2010

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 4
Bill Version: SB 224
(S) Publish Date: 1/19/10

Identifier (file name): 0771-EED-TLS-12-1-09

Dept. Affected: Education

Title "An Act establishing the governor's performance scholarship..."

RDU Teaching & Learning Support

Component School & Student Achievement

Sponsor Rules at the request of the Governor

Component Number 2796

Requester Governor

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 | | | | | | | |
| Travel | | | | | | | | |
| Contractual | | | | | | | | |
| Supplies | 30.0 | | | | | | | |
| Equipment | | | | | | | | |
| Land & Structures | | | | | | | | |
| Grants & Claims | | | | | | | | |
| Miscellaneous | | | | | | | | |
| TOTAL OPERATING | 117.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

CAPITAL EXPENDITURES

CHANGE IN REVENUES ()

FUND SOURCE (Thousands of Dollars)

| | | | | | | | | |
|----------------------------|--------------|------------|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | | | |
| 1003 GF Match | | | | | | | | |
| 1004 GF | 117.3 | | | | | | | |
| 1005 GF/Program Receipts | | | | | | | | |
| 1037 GF/Mental Health | | | | | | | | |
| Other Interagency Receipts | | | | | | | | |
| TOTAL | 117.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2010) cost: _____

POSITIONS

| | | | | | | | | |
|-----------|-----|--|--|--|--|--|--|--|
| Full-time | 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, furniture, etc.) at \$30,000 = \$117,306

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

Phone 465-8679
Date/Time 12/1/09 12:00 AM
Date 12/1/2009

Prepared by the DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT
SECTIONAL ANALYSIS
Governor's Performance Scholarship program

| BILL SECTION | SECTION TITLE | PAGE | LINE | PURPOSE OF SECTION | EFFECTIVE DATE |
|--------------|---|------|-----------|---|----------------|
| 1 | District determination of scholarship eligibility | 1 | 6-13 | Adds a new section placing determination of a student's scholarship eligibility with the school district of the graduate; also states that the student's permanent record shall include the highest scholarship tier funding for which the student is eligible. | |
| 2 | Duties of the department | 1-2 | 14; 1-2 | New paragraph authorizing EED to administer duties related to GPS. | |
| 3 | Functions, duties and powers of commission | 2-3 | 3-31;1-10 | Amends ACPE's authority to promulgate regulations; carry out purpose as it relates to GPS; etc | |
| 4 | Governor's Performance Scholarship | 3-10 | 11...31 | Adds new sections 14.43.810 establishes GPS and sets forth program goals; 14.43.815 sets forth qualifications of applicants; 14.43.820 establishes programmatic standards for eligibility for an award of merit-based academic scholarship; 14.43.825 establishes programmatic standards for an award of career and technical school scholarship; 14.43.827 sets for the maximum awards and their allowable uses; 14.43.830 establishes programmatic standards for an alternative pathway for students who are not eligible due to circumstances that would make it unfair no to allow them to make up the deficit; 14.43.835 sets forth the required credentials for qualified postsecondary institutions; 14.43.840 Authorizes the commission (ACPE) to establish procedures for student application for the GPS; 14.43.845 Sets forth the GPS fund as an income fund in the general fund and states that the fund may be used to pay scholarships awarded to students; 14.43.850 states that EED, ACPE, Dept. of | |

| | | | | | |
|----|---|-------|-------------|--|-------------------|
| | | | | Revenue, UA and DOL/WD shall share data necessary to prepare public reports regarding GPS to the extent permitted under law and states that a report to the legislature, public and governor shall be given no more than 10 days following the start of each year's legislative session; 14.43.890 sets out definitions. | |
| 5 | Records | 11 | 1-6 | Adds the requirement that a religious or other private school that complies with AS 14.45.100 (Exemptions) must include the level of student eligibility for the GPS in each permanent student record. | |
| 6 | Powers of the department | 11 | 7-25 | Amends section by adding EED's responsibility to administer duties assigned to EED under the GPS establishment. | |
| 7 | Governor's Performance Scholarship Fund | 11-12 | 26-31; 1-29 | Establishes the GPS fund and sets out that the commissioner of revenue manages the fund; 37.14.755 states the powers of the commissioner of revenue; 37.14.760 sets out the uses of the fund; 37.14.790 definitions. | |
| 8 | The uncodified law of the State of Alaska is amended by adding a new section: Transition: Program Standards and Implementation For Initial School Years | 12 | 30-31; 1-13 | Authorizes EED, DOL/WD and ACPE to adopt regulations related to duties assigned under the establishment of the GPS so that students may be eligible for an award without meeting the core curriculum and setting qualifying dates. | |
| 9 | The uncodified law of the State of Alaska is amended by adding a new section: Transition: Regulations | 13 | 14-20 | Authorizes EED, DOL/WD and ACPE to adopt regulations necessary to implement changes made to their respective authorities. | September 1, 2010 |
| 10 | | 13 | 21 | Sets an effective date. | Immediately |
| 11 | | 13 | 22 | Sets an effective date for section 11. | September 1, 2010 |



Resolution of the State Board of Education & Early Development

The Governor's Performance Scholarship

Resolution 03-2010

WHEREAS, the proposed Governor's Performance Scholarship (GPS) invites Alaska's high school students to challenge themselves with a rigorous course of study;

WHEREAS, the GPS encourages high schools to offer four years of science and math courses as well as the currently required four years of language arts courses and three years of social studies courses;

WHEREAS, the GPS recognizes a variety of meritorious students by awarding technical and academic scholarships to students with grade point averages ranging from C+ to A;

WHEREAS, the GPS serves students in public schools, private schools and home schools;

WHEREAS, the GPS encourages parents and guardians to participate in planning their students' high school career;

WHEREAS, the GPS encourages students to complete high school and be better prepared to attend a postsecondary institution;

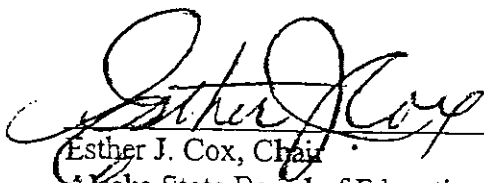
WHEREAS, the GPS helps Alaska's families afford postsecondary education;

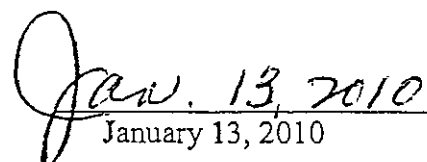
WHEREAS, the GPS encourages students to receive their postsecondary education in Alaska;

WHEREAS, the GPS recognizes the value and variety of Alaska's private and public postsecondary education institutions;

WHEREAS, the GPS will help Alaska to train its own highly skilled work force;

THEREFORE, BE IT RESOLVED, the State Board of Education & Early Development strongly supports the proposed Governor's Performance Scholarship to meet the academic and financial needs of Alaska's youth.


Esther J. Cox, Chair
Alaska State Board of Education & Early Development


January 13, 2010

A Resolution in Support of the Governor's Performance Scholarship

WHEREAS, the State of Alaska does not provide enough need based or grant aid for students seeking postsecondary education compared to most other states; and

WHEREAS, the University of Alaska began the UA Scholars program in 1999, which has grown in usage over time and is funded entirely out of the university's Land Grant Trust Fund; and

WHEREAS, Governor Sean Parnell has proposed the Governor's Performance Scholarship, a grade- and curriculum based program that would provide financial assistance for students wishing to attend a postsecondary institution within the state of Alaska; and

WHEREAS, the University of Alaska Board of Regents has long supported all efforts to increase access to postsecondary education, workforce training and lifelong learning; and increased financial aid, both merit- and need-based, is critical for improving access to higher education for both rural and urban residents as well as current and future students; and

NOW THEREFORE BE IT RESOLVED that the University of Alaska Board of Regents supports Governor Sean Parnell's proposed Governor's Performance Scholarship; and

BE IT FURTHER RESOLVED that the University of Alaska Board of Regents urges additional support from the Alaska Legislature for both merit- and need-based programs that will be before the Alaska Legislature in the 2010 session; and

BE IT FURTHER RESOLVED that this resolution be appropriately engrossed and conveyed to the Honorable Governor Sean Parnell and Honorable members of the Alaska State Legislature, with a copy to be incorporated into the official minutes of the November 30-December 1, 2009 meeting of the University of Alaska Board of Regents.



Interior Alaska – The “Place” To Do Business

Introduced By: Kurt Newman, Education Committee Chair
Date Introduced: January 4, 2010
Date Passed: January 11, 2010
Date Transmitted: January 12, 2010

RESOLUTION 10-0111
A RESOLUTION BY THE GREATER FAIRBANKS CHAMBER OF COMMERCE (GFCC)
SUPPORTING THE GOVERNOR’S PERFORMANCE SCHOLARSHIP, A MERIT-BASED
SCHOLARSHIP FOR ALASKA HIGH SCHOOL STUDENTS

WHEREAS, the Greater Fairbanks Chamber of Commerce recognizes the need to encourage our Alaska high school students to attain the necessary core education to enable them to go onto higher education or vocational training, and remain in the State as productive citizens and future leaders; and

WHEREAS, we should work to keep our best and brightest students in Alaska after college, to position Alaska’s economy for growth with a better prepared workforce; and

WHEREAS, only half of Alaskan students who receive a high school diploma are academically prepared for post-secondary education (Greene and Winters 2005) and are ready for college-level reading assignments in the core study areas like math, history, science, and English (ACT, 2006); and

WHEREAS, a more rigorous high school curriculum will prepare Alaska’s high school students for entrance into higher education or vocational education, including the recommended four years of math, four years of science, four years of language arts, and three years of social studies; and

WHEREAS, at graduation, students will receive scholarships based on academic achievement and their hard work. For example, at graduation from high school, an ‘A’ student with a 3.5 GPA or better would be eligible for a 100% tuition scholarship award; a ‘B’ student with a 3.0 GPA or higher would be eligible for a 75% tuition award, and a ‘C’ student with at least a 2.5 GPA would be eligible for a 50% tuition scholarship award; and

WHEREAS, the Governor’s performance Scholarship could be used at the University of Alaska, at any certified, in-state job training institution and at other certified post-secondary institutions in Alaska; and

WHEREAS, by giving more Alaskan students the opportunity to earn a scholarship like this and requiring it to be used at an in-state institution, we are preparing our youth as the future workforce leaders for Alaska.

NOW THEREFORE BE IT RESOLVED, in recognizing the importance of affordable and accessible higher education, and the need to encourage our youth to stay in Alaska and to provide for future workforce and leadership roles, the Greater Fairbanks Chamber of Commerce supports the Alaska Governor’s Performance Scholarship Initiative.

BE IT FURTHER RESOLVED that this resolution be distributed to:
Governor Sean Parnell, State of Alaska
Alaska State Legislature

INVESTORS

DIAMOND

- BP Exploration
ConocoPhillips
ExxonMobil
Fairbanks Daily News-Miner
FMH & Denali Center
Flint Hills Resources Alaska

PLATINUM

- Alyeska Pipeline Service Co.
Carlson Center
Fred Meyer
GCI
Golden Heart Utilities
Mt. McKinley Bank
Wells Fargo Bank Alaska

GOLD

- Alaska USA FCU
Birchwood Homes
Denali State Bank
Design Alaska
Doyon, Limited
First National Bank Alaska
Kinross-Fort Knox Mine
Laborers Union Local 942
MAC Federal Credit Union
The Boeing Co.
Usibelli Coal Mine

SILVER

- ACS
Alaska Airlines
Alaska Railroad
AT&T
Denali – The Alaska Gas Pipeline
Everts Air Cargo
Fairbanks Natural Gas
Flowline Alaska
Fountainhead Development
GVEA
Hale & Associates, Inc.
JL Properties, Inc.
Key Bank
K Janitorial Services, LLC
Northrim Bank
Operating Engineers Local 302
Personnel Plus
Pogo Mine
Santina’s Flowers & Gifts
Spirit of Alaska FCU
Tanana Valley Clinic
TDL Professional Staffing
TOTE
WAL-MART Stores, Inc.

Dan Britton
Board Chair
Greater Fairbanks Chamber of Commerce

Kurt Newman
Chair
Education Committee

REPRESENTATIVE PAUL SEATON

SESSION ADDRESS

State Capitol Building
Juneau, Alaska 99801-1182
(907) 465-2689
Fax: (907) 465-3472
1-800-665-2689



INTERIM ADDRESS

345 W. Sterling Highway
Homer, Alaska 99603
(907) 235-2921
Fax: (907) 235-4008
1-800-665-2689

ALASKA STATE LEGISLATURE House District 35

Memorandum

A handwritten signature in cursive script that reads "Paul Seaton".

From: House Education Committee Chair Representative Paul Seaton

To: Senate Education Committee Co-Chair Senator Kevin Meyer

Senate Education Committee Co-Chair Senator Joe Thomas

Date: March 22, 2010

RE: Invitation to participate in Board of Education roundtable discussion and confirmation hearings

On Wednesday March 24th the House Education Committee will hold a roundtable discussion with the State Board of Education and Early Development beginning at 8:00 a.m. As all members of the Board are scheduled to be in Juneau for this meeting, we are taking the opportunity to hold confirmation hearings for two Board members: Esther Cox and James Merriner.

Members of the Senate Education Committee are invited to participate both in the roundtable discussion and the confirmation hearing. If the Senate Education committee wishes at the end of its regularly scheduled meeting to join the House Education Committee for the confirmation hearings and sign a separate committee report, please accept this invitation to do so.

Academic and Career Scholarships

| House CS 297 | Senate CS 224 | Differences |
|---|---|--|
| Number/Type of Scholarships | | |
| <p>Sec. 14.43.810. Governor's performance scholarship program established; Alaska residency. (a) The governor's performance scholarship program is established... to provide scholarships for high school graduates who are Alaska residents to attend a qualified postsecondary institution in the state. The program includes a <i>merit-based academic scholarship, a merit-based career and technical school scholarship, and an unmet financial need scholarship supplement</i>. The merit based academic scholarship consists of three levels of awards. The merit-based career and technical school scholarship consists of one level of award.</p> | <p>Sec. 14.43.810. Governor's performance scholarship established; Alaska residency. (a) The governor's performance scholarship program is established... to provide <i>scholarships</i> for high school graduates who are Alaska resident to attend a qualified postsecondary institution in the state.</p> | <p>House CS defines two scholarship tracks: "merit-based academic" and "merit-based career and technical".</p> <p>Senate CS envisions one scholarship - a "merit-based" scholarship which can be used for either academic or voc-tech educational purposes.</p> <p>*Both include a need-based supplement.</p> |
| Limit on Awards | | |
| <p>Sec. 14.43.827 Maximum awards and allowable uses. (2) for the merit-based career and technical scholarship, the award must be the <i>actual cost of the qualified career and technical school</i> attended by the student, <i>not to exceed \$3,000 a school year</i>;</p> | <p>Sec. 14.43.827 Maximum awards and allowable uses; merit-based performance scholarship</p> | <p>House CS limits career scholarships to the "actual cost of tuition" and caps awards used at career and technical schools at \$3,000 per year.</p> <p>Senate CS similarly limits awards to actual cost of tuition but adds no additional "cap" beyond the \$4,755 established in Sec. 14.43.825 (once amended)</p> |

(3) subject to (e) of this section, a student who qualifies for a merit-based academic scholarship may apply the award to the costs of attending a qualified career and technical school program as described in AS 14.43.835(a)(2).

Not needed in Senate CS since there are not two tracks.

House CS has language allowing a high performing student to attend either an academic or a career school; no need for that in Senate CS since there is only one scholarship.

Non-Traditional Students

| House CS 297 | Senate CS 224 | Differences |
|--|--|------------------------------|
| <p>Sec. 14.43.815. Qualifications of applicants. (a) A student may apply for a governor's performance scholarship to attend a qualified postsecondary institution in the state if the student</p> <p>(1) has applied or intends to apply for admission to the institution;</p> <p>(2) is an Alaska resident who has</p> <p>(A) graduated, or will graduate not later than six months after the date of the application, from a high school in the state, including a public school, private school, and home school;</p> <p>(B) graduated, or will graduate not later than six months after the date of the application, from a high school outside of the state under circumstances allowed by the department; for purposes of this subparagraph, allowable circumstances include a circumstance in which a high school student who is an Alaska resident has attended high school in the state and has left the state because of the military service of the student's custodial parent who is an Alaska resident;</p> | <p>Sec. 14.43.815. Qualifications of applicants. (a) A student may submit an application for a governor's performance scholarship to attend a qualified postsecondary institution in the state if the student</p> <p>(1) has applied or intends to apply for admission to the institution;</p> <p>(2) is an Alaska resident who has</p> <p>(A) graduated, or will graduate no later than six months after the date of the application from a high school in the state, including a public school, private school, and <i>or</i> home school;</p> <p>(B) graduated, or will graduate no later than six months after the date of the application from a high school outside of the state under circumstances allowed by the department; for purposes of this subparagraph, allowable circumstances include an Alaska resident high school student having left the state because of the military service of the student's Alaska resident custodial parent;</p> | <p>House CS has students</p> |

| | | |
|--|--|--|
| <p>(c) A student's eligibility for a scholarship terminates six years after the date the student graduated from high school unless the student qualifies for an extension of time allowed by the department.</p> | <p><i>Not found in Senate CS</i></p> | <p>House CS contains a six year limit for usage of scholarship; Senate CS</p> |
| <p>(d) Subject to AS 14.43.815(a)(3), a student receiving a merit-based academic scholarship may remain eligible for up to eight semesters of enrollment at a qualified university or college, which may include graduate courses, or for up to two calendar years of attendance at a qualified career or technical school. A student receiving a merit-based career and technical scholarship may remain eligible for two calendar years of attendance at a qualified career and technical school. A student may not receive both an academic and a career and technical scholarship.</p> | <p>(d) Subject to AS 14.43.815(a)(3), a student receiving a merit-based academic scholarship may remain eligible for up to twelve semesters of enrollment at a qualified university or college, which may include graduate courses. A student receiving a merit-based career and technical scholarship may remain eligible for two calendar years of attendance at a qualified career and technical school. A student may not receive both an academic and a career and technical scholarship.</p> | <p>House CS only eligible for eight semesters; Senate CS eligible for twelve semesters.</p> |
| <p><i>Not in House CS</i></p> | <p>(c) The department shall adapt regulations to include an application procedure for the award of a scholarship or for the resumption of a scholarship award for an eligible applicant who has either withdrawn from or delayed enrollment in a qualified postsecondary institution in the state and who has been admitted to a qualified postsecondary institution, regardless of age.</p> | <p>Senate CS provides a process for a non-traditional student to apply for a scholarship. House CS has no such provision.</p> |
| <p> </p> | <p> </p> | <p> </p> |

Goals and Intent

| House CS | Senate CS | Differences |
|--|---|-------------|
| <p>(d) The program shall be administered to further the following goals:</p> <ul style="list-style-type: none"> (1) increasing high school graduation rates in the state; (2) improving academic performance of students in kindergarten through grade 12 in the state; (3) improving preparedness of Alaska students for postsecondary education; (4) improving the quality of the educational programs offered by high schools in the state; (5) increasing the scores of high school students in the state on college entrance examinations; (6) increasing job training opportunities in the state; (7) improving the postsecondary academic achievement and graduation rates of students in the state; (8) expanding the pool of high school students in the state who pursue postsecondary opportunities; (9) providing a rigorous curriculum in all high schools in the state; (10) increasing participation of Alaska high school students in Alaska postsecondary institutions. | <p><i>Goals not in bill, found in Memo of Intent.</i></p> | |

DIRECTORY OF CAREER AND TECHNICAL SCHOOLS IN ALASKA
LAST UPDATED DECEMBER 10, 2009

This list only includes schools that have applied for and been granted authorization to operate in Alaska or official exemption from authorization requirements. The Alaska Commission on Postsecondary Education does not recommend educational or training providers. Any link or reference to any site does not constitute or imply an endorsement or recommendation by the State of Alaska.

**DIRECTORY OF CAREER AND TECHNICAL SCHOOLS IN ALASKA
LAST UPDATED DECEMBER 10, 2009**

| INSTITUTION | DATE FOUNDED / CONTROL | CHIEF OFFICER | AREA OF CAREER TRAINING |
|--|--------------------------------|------------------------------------|---|
| A Head of Time Design Academy 360 Boniface Pkwy, Suite A-28 Anchorage, AK 99504-4911 (907) 277-5907 | 1985 Private For Profit | Ms. Rosalyn Wyche Owner | Hairdressing |
| Academy of Hair Design 113 W Northern Lights, Suite M Anchorage, AK 99503-2600 (907) 274-3663 | 1985 Private For Profit | Mr. Mano Bolivar Owner | Hairdressing, Esthetics |
| AK STAR Training Institute 120 Carlanna Lake Road Ketchikan, AK 99901-5611 (907) 247-1431 | 2004 Private For Profit | Ms. Renee Schofield Owner | Phlebotomy |
| Alaska Technical Center (843 4th Street) P.O. Box 51 Kotzebue, AK 99752-0051 (907) 442-3733 http://www.nwarctic.org/atc | 1981 Public | Ms. Cheryl Edenshaw Director | Business, Computer, Construction, Electrical, Health, Heating, Safety, Maintenance, Plumbing |
| *Alaska Vocational Technical Center (809 Second Ave) P.O. Box 889 Seward, AK 99664-0889 (907) 224-3322 http://avtec.labor.state.ak.us | Public | Mr. Fred W. Esposito Director | Auto, Business, Diesel/Heavy Equip, Culinary, Electricity, Health, Maritime, Maintenance, Plumbing, Welding |
| Amundsen Educational Center (998 Roald Avenue) P.O. Box 4006 Soldotna, AK 99669 (907) 260-8041 http://www.aecak.org | 1996 Private Not For Profit | Mr. Mark Hill Executive Officer | Religious, Construction |

**DIRECTORY OF CAREER AND TECHNICAL SCHOOLS IN ALASKA
LAST UPDATED DECEMBER 10, 2009**

| INSTITUTION | DATE FOUNDED / CONTROL | CHIEF OFFICER | AREA OF CAREER TRAINING |
|---|--------------------------------|---|---|
| Amundsen Educational Center dba New Frontier Vo-Tech Center 43335 K-Beach Rd, Suite 14 Soldotna, AK 99669 (907) 262-9055 http://www.aecak.org | 1985 Private Not For Profit | Ms. Judi Walgenbach Program Director | Office (Accounting, Legal, Medical) |
| Ariel's Hair Design School 2727 West Dimond Boulevard Anchorage, AK 99502-1604 (907) 344-4122 | 1989 Private For Profit | Ms. Corazon Negron Owner | Hairdressing, Esthetics |
| *Beacon Training Center 450 Marathon Rd, Kenai, AK 99611-7857 (907) 283-3054 800 Cordova St, Anchorage, AK 99501-3717 (907) 222-7612 | 1999 Private For Profit | Ms. Holly Hylan President | EMT, Firefighter, First Aid, Health, Rescue, Safety |
| Career Academy 1415 East Tudor Rd Anchorage, AK 99507-1033 (907) 563-7575 http://www.careeracademy.net | 1985 Private For Profit | Ms. Jennifer A. Deitz President | Aircraft Dispatch, Business, Insurance Coding & Billing, Massage Therapy, Medical, Phlebotomy, Travel |
| Center for Employment Education 1749 Ship Avenue, Anchorage, AK 99501-1806 (907) 279-8451 3207 International Ave. #2, Fairbanks, AK 99701 (907) 479-8451 | 1994 Private Not For Profit | Mr. Frederic Ready Training Director | Commercial Driving, Construction Technology, Heavy Equipment, Safety |
| Central Council Tlingit & Haida Indian Tribes of AK Vocational Training & Resource Center 3239 Hospital Drive Juneau, AK 99801-7809 (907) 463-7375 | 1996 Private Not For Profit | Ms. Phyllis Carlson Director | Business, Computer, Construction, Heating |

DIRECTORY OF CAREER AND TECHNICAL SCHOOLS IN ALASKA

LAST UPDATED DECEMBER 10, 2009

| INSTITUTION | DATE FOUNDED / CONTROL | CHIEF OFFICER | AREA OF CAREER TRAINING |
|---|--------------------------------|---|--|
| *Galena City School District – Galena Interior Learning Academy -Post Secondary (Building 1847 Challenger Road) P.O. Box 359 Galena, AK 99741-0359 (907) 656-2053 | 1984 Public | Mr. Jim Smith Superintendent | Automotive, Computer, Culinary, Esthetician, Flight, Hairdressing |
| MetrOasis Advanced Training Center 401 W. International Airport Road, 1C Anchorage, AK 99518-1167 (907) 276-4110 http://www.metroasis.com | 1995 Private For Profit | Mr. F. Sigel Shroy Owner | Hairdressing, Esthetics |
| Northern Industrial Training 1740 North Terrilou Court Palmer, AK 99645-7436 (907) 357-6400 Spring Street Wasilla, AK 99687 http://www.nitalaska.com | 2003 Private For Profit | Mr. Joe Crum President/CEO | Commercial Driving, Construction Equip, Safety |
| Oriental Healing Arts School of Massage Therapy 2636 Spenard Road Anchorage, AK 99503 (907) 279-0135 http://www.touchoftao.com | 2003 Private For Profit | Ms. Cynthia McMullen Partner | Massage Therapy, Acupuncture |
| SERRC - Alaska Vocational Institute 210 Ferry Way, Suite 200 Juneau, AK 99801-1390 (907) 586-6806 | 1976 Private Not For Profit | Ms. Sheryl Weinberg Executive Director | Office Skills, Computer Training |
| Shear Fire Academy of Hair Design 1012 South Colony Way Palmer, AK 99645-6929 (907) 746-4264 | 2008 Private For Profit | Ms. Jana Rhea Powell Owner | Hairdressing |

**DIRECTORY OF CAREER AND TECHNICAL SCHOOLS IN ALASKA
LAST UPDATED DECEMBER 10, 2009**

| INSTITUTION | DATE FOUNDED / CONTROL | CHIEF OFFICER | AREA OF CAREER TRAINING |
|---|--------------------------------|--|---|
| Southwest AK Vocational & Educational Center (Building 647 Air Force Rd) PO Box 615 King Salmon, AK 99613-0615 (907) 246-4600 http://www.savec.org | 2000 Private Not For Profit | Mr. Eldon Davidson Executive Director | First Aid, Hazwoper, Heavy Equipment, Safety |
| Trend Setters School of Beauty 407 E. Northern Lights Blvd Anchorage, AK 99503-2807 (907) 274-7150 | 1972 Private For Profit | Mr. Dennis Millhouse Owner | Hairdressing |

*AVTEC is regulated by the Alaska Department of Labor and is exempted from the provisions of authorization by the Alaska Commission on Postsecondary Education.

Beacon Training Center is regulated by the city of Kenai and is exempted from the provisions of authorization by the Alaska Commission on Postsecondary Education.

GCSD - GILA - Postsecondary is regulated by the GCSD and is exempted from the provisions of authorization by the Alaska Commission on Postsecondary Education.

STATE OF ALASKA

Department of Education & Early Development

Office of the Commissioner

SEAN PARNELL, GOVERNOR

Goldbelt Place
801 West 10th Street, Suite 200
P.O. Box 110500
Juneau, Alaska 99811-0500
Telephone: (907) 465-2800
Fax: (907) 465-4156

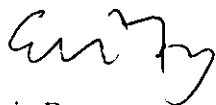
January 19, 2010

The Honorable Joe Thomas
1292 Sadler Way Suite 308
Fairbanks, AK 99701

Dear Senator Thomas,

The State Board of Education & Early Development has unanimously passed a resolution in support of the Governor's Performance Scholarship. A copy is enclosed. If you have any questions, please contact me at 465-2851 or eric.fry@alaska.gov.

Sincerely,



Eric Fry
Public Information Officer



Resolution of the State Board of Education & Early Development

The Governor's Performance Scholarship

Resolution 03-2010

WHEREAS, the proposed Governor's Performance Scholarship (GPS) invites Alaska's high school students to challenge themselves with a rigorous course of study;

WHEREAS, the GPS encourages high schools to offer four years of science and math courses as well as the currently required four years of language arts courses and three years of social studies courses;

WHEREAS, the GPS recognizes a variety of meritorious students by awarding technical and academic scholarships to students with grade point averages ranging from C+ to A;

WHEREAS, the GPS serves students in public schools, private schools and home schools;

WHEREAS, the GPS encourages parents and guardians to participate in planning their students' high school career;

WHEREAS, the GPS encourages students to complete high school and be better prepared to attend a postsecondary institution;

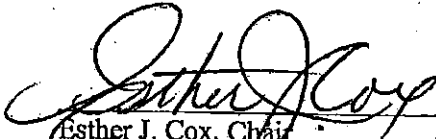
WHEREAS, the GPS helps Alaska's families afford postsecondary education;

WHEREAS, the GPS encourages students to receive their postsecondary education in Alaska;

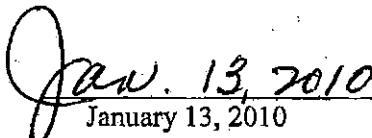
WHEREAS, the GPS recognizes the value and variety of Alaska's private and public postsecondary education institutions;

WHEREAS, the GPS will help Alaska to train its own highly skilled work force;

THEREFORE, BE IT RESOLVED, the State Board of Education & Early Development strongly supports the proposed Governor's Performance Scholarship to meet the academic and financial needs of Alaska's youth.



Esther J. Cox, Chair
Alaska State Board of Education & Early Development



January 13, 2010

26-LS0219\W
Mischel
3/31/10

CS FOR SENATE BILL NO. 33()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS ELLIS, Paskvan, Thomas, McGuire, Stevens

A BILL
FOR AN ACT ENTITLED

1 **"An Act relating to the Alaska Advantage Education Grant Program; and establishing**
2 **loan forgiveness for eligible applicants."**

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

4 *** Section 1. AS 14.43.400 is amended to read:**

5 **Sec. 14.43.400. Purpose; creation.** There is created the Alaska Advantage
6 education grant **and loan forgiveness** program to provide financial assistance to
7 eligible students to enable them to attend, **to** [OR] continue their attendance at, **or to**
8 **forgive loans made to them by the state for attendance at** postsecondary
9 educational institutions. Funds designated by the corporation or appropriated for this
10 program may be used as matching funds for the state's participation in the federal
11 grant program under 20 U.S.C. 1070c - 1070c-4.

12 *** Sec. 2. AS 14.43.405(a) is amended to read:**

13 (a) The Alaska Advantage education grant **and loan forgiveness** program
14 created under AS 14.43.400 - 14.43.420 shall be administered by the executive

1 director of the commission.

2 * Sec. 3. AS 14.43.410(a) is amended to read:

3 (a) The funds for the payment of grants from AlaskAdvantage education
4 grant and loan forgiveness program may be allocated to eligible students in
5 accordance with the provisions of the federal grant program under 20 U.S.C. 1070c -
6 1070c-4 and regulations adopted under AS 14.43.105 and 14.43.405.

7 * Sec. 4. AS 14.43.410 is amended by adding a new subsection to read:

8 (c) The commission shall annually distribute not less than \$10,000,000 or, if
9 available funding from appropriations and other sources is less than that amount, the
10 full amount available in grants and loan forgiveness awards on behalf of eligible
11 students under AS 14.43.415. Payments shall be made directly to the postsecondary or
12 lending institution if feasible.

13 * Sec. 5. AS 14.43.415(b) is repealed and reenacted to read:

14 (b) The commission shall give an applicant eligible under (a) or (e) of this
15 section priority for a grant or loan forgiveness award if that applicant

16 (1) is, or is about to be, enrolled in a postsecondary education program
17 that prepares the applicant for employment in an occupation or profession for which
18 there is a severe shortage of trained individuals in the state;

19 (2) has completed a postsecondary education program within the four
20 years preceding an application for loan forgiveness and is employed in the state in an
21 occupation or profession for which there is a severe shortage of trained individuals in
22 this state; or

23 (3) has achieved a cumulative grade point average at the postsecondary
24 institution at which the student is or was enrolled of 3.0 or above on a 4.0 grade point
25 scale, with a higher priority for students who achieved a cumulative grade point
26 average of 3.5 or above.

27 * Sec. 6. AS 14.43.415 is amended by adding new subsections to read:

28 (d) In addition to the priorities required under (b) of this section, the
29 commission may give an applicant priority for a grant award if that applicant has
30 participated in a secondary education program of study that can be demonstrated to the
31 commission to be a predictor for success at the postsecondary education level for a

1 program of study described in (b)(1) of this section.

2 (e) A portion of a loan made by the state in an amount that is equal to the
3 amount of a grant for which a student was or would have been eligible under (a) of
4 this section shall be forgiven by the state for a person who

5 (1) is a resident of the state;

6 (2) has completed within the four years preceding the application for
7 loan forgiveness a postsecondary education program that is eligible to participate in
8 federal financial aid programs under 20 U.S.C. 1070 - 1099c-2, as amended, and that
9 is located in the state; and

10 (3) has an outstanding balance on the loan and has not defaulted on the
11 loan repayments.

12 (f) Forgiveness under (e) of this section is subject to appropriation by the
13 legislature. Money obtained from the sale of bonds by the corporation under
14 AS 14.42.220 may not be appropriated for the forgiveness of loans.

15 (g) In this section,

16 (1) "occupation or profession" means a job for which specific
17 postsecondary certification is a prerequisite for entry-level placement;

18 (2) "severe shortage" means a current or recurring job vacancy rate of
19 15 percent or greater, as determined by the Department of Labor and Workforce
20 Development or by another workforce data source determined reliable by the
21 commission.

22 * Sec. 7. AS 14.43.420(a) is amended to read:

23 (a) A grant or loan forgiveness made under AS 14.43.400 - 14.43.420 may
24 not be in an amount less than \$1,000 [\$500] nor more than \$5,000 [\$2,000] for each
25 school year.

26 * Sec. 8. AS 14.43.420(c) is amended to read:

27 (c) A student may receive not more than a total of \$20,000 [\$8,000] in grants
28 or loan forgiveness awarded under AS 14.43.400 - 14.43.420.

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

31 REVISOR'S INSTRUCTION. The revisor of statutes is instructed to change the

- 1 heading of art. 8 of AS 14.43 from "AlaskAdvantage Education Grant Program" to
- 2 "AlaskAdvantage Education Grant and Loan Forgiveness Program."

SENATE EDUCATION COMMITTEE



CO-CHAIRMEN:

SENATOR KEVIN MEYER

SENATOR JOE THOMAS

MEMBERS:

SENATOR BETTYE DAVIS

SENATOR CHARLIE HUGGINS

SENATOR GARY STEVENS

SENATOR DONALD OLSON

It is the intent of the legislature to establish a scholarship program with the following goals:

- (1) increasing high school graduation rates in the state;
- (2) improving academic performance of students in grades kindergarten through 12 in the state;
- (3) improving preparedness of Alaska students for postsecondary education;
- (4) improving the quality of the educational programs offered by high schools in the state;
- (5) increasing the scores of high school students in the state on college entrance examinations;
- (6) increasing job training opportunities in the state;
- (7) improving the postsecondary academic achievement and graduation rates of students in the state;
- (8) expanding the pool of high school students in the state who pursue postsecondary opportunities..
- (9) Providing a rigorous curriculum in all high schools in the state
- (10) increasing participation of Alaska high school students in Alaska postsecondary institutions

Jomo Stewart, Committee Aide
(907) 465-6874

Murray Richmond, Committee Aide
(907) 465 - 6443

Senate_Education@legis.state.ak.us

Conceptual Amendment _____

Page 7, lines 16-31, page 9 Lines 4-15 to read:

(1) the four year core academic curriculum, which may include virtual curriculum, that the student must have completed in high school; the core academic curriculum must include:

- (A)
 - (i) four years of mathematics;
 - (ii) four years of language arts;
 - (iii) four years of science; and
 - (iv) three years of social studies, one year of which may include a foreign language or an Alaskan Native language, **fine arts or cultural heritage**;
- (B)
 - (i) three years of mathematics;
 - (ii) four years of language arts
 - (iii) three years of science
 - (iv) four years of social studies; and
 - (v) two years of a foreign language or Alaska Native Language;

Conceptual Amendment _____

Page 11, Lines 19-22;

(c) The maximum amount for a needs-based performance scholarship for a student who is enrolled

- (1) not less than **full** time, is 50 percent of the unmet financial need that exceeds \$2,000;
and
- (2) less than **full** time **but not less than half time**, is 25 percent of the unmet financial need that exceeds \$2,000.

Conceptual Amendment

Pages 11-12, Lines 28-31 and 1-3, replace (e) (1) to read:

(e) In this section,

(1) “allowable standard costs of attendance” means for a student who receives a merit-based performance scholarship, the **lesser of (A) standard** costs of attendance at the University of Alaska, as determined by the commission; **or (B) actual costs of attendance at the qualified postsecondary institution that the student attends or plans to attend, as determined by the commission;**

Conceptual Amendment

Page 22, lines 10-11;

- (2) who graduated from high school in this state after January 1, 2010 and before July 1, 2011 and meets eligibility requirements for the program may apply for a scholarship on or after January 1, 2011 for enrollment in a program of study beginning on or after July 1, 2011.

26-GS2771\C
Mischel
3/19/10

CS FOR SENATE BILL NO. 224(EDC)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE EDUCATION COMMITTEE

Offered:

Referred:

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

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing the Alaska student achievement scholarship program and relating**
2 **to the program; establishing the Alaska student achievement scholarship fund and**
3 **relating to the fund; relating to student records; making conforming amendments; and**
4 **providing for an effective date."**

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

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

7 **Sec. 14.03.113. District determination of scholarship eligibility.** A school
8 district shall determine whether a student who graduates from a high school in the
9 district is eligible for an award of a merit-based Alaska student achievement
10 scholarship under AS 14.43.810 - 14.43.890. If a student is eligible, the district shall
11 state in the student's permanent record the highest level of funding for which the
12 student is eligible. A district shall provide a student with an opportunity to request that
13 the district correct an error in the eligibility determination.

14 *** Sec. 2.** AS 14.07.020(a) is amended to read:

1 (a) The department shall

2 (1) exercise general supervision over the public schools of the state
3 except the University of Alaska;

4 (2) study the conditions and needs of the public schools of the state,
5 adopt or recommend plans, administer and evaluate grants to improve school
6 performance awarded under AS 14.03.125, and adopt regulations for the improvement
7 of the public schools;

8 (3) provide advisory and consultative services to all public school
9 governing bodies and personnel;

10 (4) prescribe by regulation a minimum course of study for the public
11 schools; the regulations must provide that, if a course in American Sign Language is
12 given, the course shall be given credit as a course in a foreign language;

13 (5) establish, in coordination with the Department of Health and Social
14 Services, a program for the continuing education of children who are held in detention
15 facilities in the state during the period of detention;

16 (6) accredit those public schools that meet accreditation standards
17 prescribed by regulation by the department; these regulations shall be adopted by the
18 department and presented to the legislature during the first 10 days of any regular
19 session, and become effective 45 days after presentation or at the end of the session,
20 whichever is earlier, unless disapproved by a resolution concurred in by a majority of
21 the members of each house;

22 (7) prescribe by regulation, after consultation with the state fire
23 marshal and the state sanitarian, standards that will ensure [ASSURE] healthful and
24 safe conditions in the public and private schools of the state, including a requirement
25 of physical examinations and immunizations in pre-elementary schools; the standards
26 for private schools may not be more stringent than those for public schools;

27 (8) exercise general supervision over pre-elementary schools that
28 receive direct state or federal funding;

29 (9) exercise general supervision over elementary and secondary
30 correspondence study programs offered by municipal school districts or regional
31 educational attendance areas; the department may also offer and make available to any

1 Alaskan through a centralized office a correspondence study program;

2 (10) accredit private schools that request accreditation and that meet
3 accreditation standards prescribed by regulation by the department; nothing in this
4 paragraph authorizes the department to require religious or other private schools to be
5 licensed;

6 (11) review plans for construction of new public elementary and
7 secondary schools and for additions to and major rehabilitation of existing public
8 elementary and secondary schools and, in accordance with regulations adopted by the
9 department, determine and approve the extent of eligibility for state aid of a school
10 construction or major maintenance project; for the purposes of this paragraph, "plans"
11 include educational specifications, schematic designs, and final contract documents;

12 (12) provide educational opportunities in the areas of vocational
13 education and training, and basic education to individuals over 16 years of age who
14 are no longer attending school;

15 (13) administer the grants awarded under AS 14.11;

16 (14) establish, in coordination with the Department of Public Safety, a
17 school bus driver training course;

18 (15) require the reporting of information relating to school disciplinary
19 and safety programs under AS 14.33.120 and of incidents of disruptive or violent
20 behavior;

21 (16) establish by regulation criteria, based on low student performance,
22 under which the department may intervene in a school district to improve instructional
23 practices, as described in AS 14.07.030(14) or (15); the regulations must include

24 (A) a notice provision that alerts the district to the deficiencies
25 and the instructional practice changes proposed by the department;

26 (B) an end date for departmental intervention, as described in
27 AS 14.07.030(14)(A) and (B) and (15), after the district demonstrates three
28 consecutive years of improvement consisting of not less than two percent
29 increases in student proficiency on standards-based assessments in math,
30 reading, and writing as provided in AS 14.03.123(f)(2)(A); and

31 (C) a process for districts to petition the department for

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continuing or discontinuing the department's intervention;

(17) notify the legislative committees having jurisdiction over education before intervening in a school district under AS 14.07.030(14) or redirecting public school funding under AS 14.07.030(15);

(18) administer duties assigned to the department under the Alaska student achievement scholarship program established in AS 14.43.810 - 14.43.890.

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

(e) The commission may

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

(A) carry out the purposes of

(i) **AS 14.43.091 - 14.43.890** [AS 14.43.091 - 14.43.750], 14.43.990, AS 14.44, and AS 14.48; and

(ii) AS 14.43.910 and 14.43.920 as they relate to the purposes of **AS 14.43.091 - 14.43.890** [AS 14.43.091 - 14.43.750], 14.43.990, AS 14.44, and AS 14.48;

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

(C) establish standards for the

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

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

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

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

(4) contract with or use existing institutions of postsecondary education or other individuals or organizations to make studies, conduct surveys, submit recommendations, or otherwise contribute to the work of the commission;

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

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

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

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

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

Article 11A. Alaska Student Achievement Scholarship Program.

Sec. 14.43.810. Alaska student achievement scholarship program established; residency. (a) The Alaska student achievement scholarship program is established to provide scholarships for high school graduates who are Alaska residents to attend a qualified postsecondary institution in the state.

(b) The department shall design the programmatic standards for the scholarships and appeals of adverse decisions. The commission shall administer the daily operations of the program and financing of the program, including the procedures for applying for the scholarships, establishing standards for and ensuring continuing compliance with programmatic standards, and requiring students to apply for other non loan financial aid, consistent with federal law. The respective agencies shall adopt necessary regulations under AS 44.62 after consultation with each other. The department may change the regulations under AS 44.62 relating to the programmatic standards for required academic achievement for eligibility only by giving advance public notice at least one school year before the effective date of the

1 change.

2 (c) For purposes of the program, a student is an Alaska resident if the student
3 meets the requirements for establishing residency under AS 01.10.055.

4 **Sec. 14.43.815. Qualifications of applicants.** (a) A student may apply for an
5 Alaska student achievement scholarship to attend a qualified postsecondary institution
6 in the state if the student

7 (1) has applied or intends to apply for admission to the institution;

8 (2) is an Alaska resident who has

9 (A) graduated, or will graduate not later than six months after
10 the date of the application, from a high school in the state, including a public
11 school, private school, or home school;

12 (B) graduated, or will graduate not later than six months after
13 the date of the application, from a high school outside of the state under
14 circumstances allowed by the department; for purposes of this subparagraph,
15 allowable circumstances include a circumstance in which a high school student
16 who is an Alaska resident left the state because of the military service of the
17 student's custodial parent who is an Alaska resident;

18 (3) will receive and use the scholarship at a qualified postsecondary
19 institution in the state not later than six years after the beginning of the first school
20 year after a student's graduation from high school, unless the student qualifies for an
21 extension of time allowed by the department; for purposes of this paragraph, standards
22 for extension of time must include time while the student is in military service;

23 (4) maintains a minimum grade-point average while attending the
24 postsecondary institution; and

25 (5) meets other minimum qualifications to apply or continue to be
26 eligible for an Alaska student achievement scholarship.

27 (b) A student is not qualified to receive an Alaska student achievement
28 scholarship if the student

29 (1) has not complied with the military selective service registration
30 requirements imposed under 50 U.S.C. App. 453 (Military Selective Service Act), if
31 those requirements apply to the student;

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(2) is currently in default or owes a refund on a federal financial aid loan under the federal guaranteed student loan program or financial aid awarded under this chapter; or

(3) has been convicted of a felony in the state or another jurisdiction and has not qualified for a waiver under standards adopted by the department.

(c) The commission shall adopt regulations to include an application procedure for the award of a scholarship or for the resumption of a scholarship award for an eligible applicant who has either withdrawn from or delayed enrollment in a qualified postsecondary institution in the state and who has been admitted to a qualified postsecondary institution, regardless of age.

Sec. 14.43.820. Eligibility for an academic scholarship. (a) Subject to appropriation, the commission shall award a merit-based academic scholarship to an applicant who meets the eligibility criteria for the award under the program.

(b) The programmatic standards for eligibility for an award of a merit-based academic scholarship under the program include the following:

(1) the four-year core academic curriculum, which may include virtual curriculum, that the student must have completed in high school; the core academic curriculum must include one of the following:

(A) a combination of

- (i) four years of mathematics;
- (ii) four years of language arts;
- (iii) four years of science; and
- (iv) four years of social studies, one year of which may

include a foreign language or an Alaska Native language; or

(B) a combination of

- (i) three years of mathematics;
- (ii) four years of language arts;
- (iii) three years of science;
- (iv) four years of social studies; and
- (v) two years of a foreign language or an Alaska Native

language;

1 (2) the minimum grade average that the student must have achieved in
2 high school to be eligible for each of the three award levels of merit-based academic
3 scholarship under AS 14.43.827; for the first award level, a student must have an A
4 average; for the second award level, a student must have a B average; and for the third
5 award level a student must have a C plus average; the grade-point average for an A
6 average is 3.5 or higher, for a B average, less than 3.5 but not less than 3.0, and for a C
7 plus average, less than 3.0 but not less than 2.5; the department shall set by regulation
8 minimum requirements based on a substantially similar standard for districts that do
9 not assign grades;

10 (3) the minimum score on a college entrance examination that the
11 student must have achieved to be eligible for each of the three award levels of merit-
12 based academic scholarship award under AS 14.43.827;

13 (4) a process by which a student who meets the grade standards in (2)
14 of this subsection for a particular award level, but does not meet the minimum scores
15 established under (3) of this subsection for that award level, may apply for a lower
16 level scholarship;

17 (5) enrollment in a course of study at a qualified postsecondary
18 institution as described in AS 14.43.835 that is intended to result in the award of a
19 certificate or degree;

20 (6) a process through which a student who is no longer eligible can
21 regain eligibility;

22 (7) a process through which a home-schooled or private-schooled
23 student may submit evidence to the qualified postsecondary institution that establishes
24 the equivalent of the high school diploma, grade-point average, and core academic
25 curriculum for public school students.

26 **Sec. 14.43.825. Eligibility for a career and technical school scholarship.** (a)
27 Subject to appropriation, the commission shall award a merit-based career and
28 technical school scholarship to an applicant who meets the eligibility criteria for the
29 award under the program.

30 (b) The programmatic standards for eligibility for an award of a merit-based
31 career and technical school scholarship under the program include the following:

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(1) the core academic curriculum, which may include virtual curriculum, that the student must have completed in high school; the core academic curriculum must include

(A) a combination of

- (i) four years of mathematics;
- (ii) four years of language arts;
- (iii) four years of science; and
- (iv) four years of social studies, one year of which may

include a foreign language or an Alaska Native language; or

(B) a combination of

- (i) three years of mathematics;
- (ii) four years of language arts;
- (iii) three years of science;
- (iv) four years of social studies; and
- (v) two years of a foreign language or an Alaska Native

language;

(2) the minimum grade average that the student must have achieved in high school; the minimum is C plus average; the C plus average requirement is a grade-point average of 2.5 or higher; the department shall set by regulation minimum requirements based on a substantially similar standard for districts that do not assign grades;

(3) the minimum score that the student must have achieved on a

(A) college entrance examination; or

(B) standardized examination designed to measure a student's level of preparedness to make the transition to work, as selected by the department;

(4) enrollment in good standing at a certified career and technical school that is intended to result in the award of a certificate that indicates the student's preparedness to enter the workforce;

(5) a process through which a student who is no longer eligible can regain eligibility.

1 **Sec. 14.43.827. Maximum awards and allowable uses.** (a) Subject to (b) - (e)
2 of this section and the programmatic standards established under AS 14.43.820(b), the
3 maximum awards and allowable uses for the merit-based programs are as follows:

4 (1) for the merit-based academic scholarship, the following three levels
5 of scholarship financing award for a semester:

6 (A) the first award level is an amount that is equal to the cost of
7 approved tuition at the University of Alaska in school year 2010 - 2011 and
8 requires an A grade average and a very high minimum score on a college
9 entrance examination;

10 (B) the second award level is an amount that is equal to 75
11 percent of the first award level and requires a B grade average and a high
12 minimum score on a college entrance examination;

13 (C) the third award level is an amount that is equal to 50
14 percent of the first award level and requires a C plus grade average and a
15 moderately high minimum score on a college entrance examination;

16 (2) for the merit-based career and technical scholarship, the award
17 must be the actual cost of the qualified career and technical school attended by the
18 student, not to exceed \$3,000 a school year;

19 (3) subject to (e) of this section, a student who qualifies for a merit-
20 based academic scholarship may apply the award to the costs of attending a qualified
21 career and technical school program as described in AS 14.43.835(a)(2).

22 (b) A part-time student who receives a merit-based academic scholarship and
23 is enrolled on at least a half-time basis is eligible for an award of 50 percent of the
24 amount of scholarship award for which the student is eligible under (a) of this section.

25 (c) A student's eligibility for a scholarship terminates six years after the date
26 the student graduated from high school unless the student qualifies for an extension of
27 time allowed by the department.

28 (d) Subject to AS 14.43.815(a)(3), a student receiving a merit-based academic
29 scholarship may remain eligible for up to eight semesters of enrollment at a qualified
30 university or college, which may include graduate courses, or for up to two calendar
31 years of attendance at a qualified career or technical school. A student receiving a

1 merit-based career and technical scholarship may remain eligible for two calendar
2 years of attendance at a qualified career and technical school. A student may not
3 receive both an academic and a career and technical scholarship.

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

8 **Sec. 14.43.828. Eligibility for a needs-based achievement scholarship;**
9 **maximum award.** (a) Subject to appropriation, the commission shall award a needs-
10 based achievement scholarship to a student who meets the eligibility criteria for the
11 award.

12 (b) A student is eligible to receive a needs-based achievement scholarship if
13 the student

14 (1) is eligible for a merit-based achievement scholarship under
15 AS 14.43.810 - 14.43.890; and

16 (2) can demonstrate, in a year in which the student receives a
17 scholarship, that the student has unmet financial need greater than \$2,000.

18 (c) The maximum amount for a needs-based achievement scholarship for a
19 student who is enrolled

20 (1) not less than half time, is 50 percent of the unmet financial need
21 that exceeds \$2,000; and

22 (2) less than half time, is 25 percent of the unmet financial need that
23 exceeds \$2,000.

24 (d) The qualified postsecondary institution attended by the student shall
25 determine unmet financial need by subtracting from the student's allowable standard
26 costs of attendance at the institution all non loan sources of financial support,
27 including an expected family contribution and all federal, state, and private
28 scholarships or grants received by the student.

29 (e) In this section,

30 (1) "allowable standard costs of attendance" means, for a student who
31 receives a merit-based achievement scholarship, the costs of attendance at the

1 qualified postsecondary institution that the student attends or plans to attend, as
 2 determined by the commission based on room and board costs that do not exceed the
 3 standard room and board costs at the University of Alaska as determined by the
 4 commission;

5 (2) "expected family contribution" means the amount a student or the
 6 student's family is expected to pay toward the student's cost of attendance, as
 7 determined by use of the most recent federal Free Application for Federal Student Aid.

8 **Sec. 14.43.830. Programmatic standards.** (a) Subject to (b) of this section,
 9 the department shall establish programmatic standards for the program.

10 (b) The department shall establish a make-up procedure or alternative pathway
 11 to allow students who are not eligible for a scholarship to make up a deficit by
 12 alternative means if the deficit was caused by circumstances beyond the student's
 13 control. The department may not waive a requirement and shall require the student to
 14 achieve a result comparable to that required of other students. The decision of the
 15 department regarding a student's eligibility for alternative means is final. In
 16 determining circumstances in which the student may pursue alternative means, the
 17 department shall consider the effect on students who have met the requirements.
 18 Attendance at a high school outside of the state is not a circumstance in which a
 19 student may be allowed to pursue alternative means to qualify for a scholarship.
 20 Circumstances in which the department may allow a student to pursue alternative
 21 means to qualify for a scholarship include the following:

22 (1) the required curriculum was not reasonably available to the student
 23 because the student attended a small and remote high school in the state;

24 (2) the deficit was caused by rare and unusual circumstances outside
 25 the control of the student.

26 **Sec. 14.43.835. Qualified postsecondary institutions.** (a) The following
 27 institutions are qualified postsecondary institutions:

- 28 (1) a university or college physically located in the state that is
 - 29 (A) authorized to operate in the state under AS 14.48.020, or is
 - 30 exempt from authorization under AS 14.48.030(b)(1); and
 - 31 (B) accredited by a regional accreditation association;

1 (2) a career and technical school program physically located in the
2 state that has been included on a list of certified career and technical school programs
3 received from the Department of Labor and Workforce Development; the commission
4 shall publish the list on or before September 1 of the year preceding enrollment.

5 (b) The Department of Labor and Workforce Development shall, in
6 consultation with the Department of Education and Early Development, adopt
7 regulations under AS 44.62 establishing criteria under which the Department of Labor
8 and Workforce Development shall certify career and technical school programs in the
9 state as eligible to participate in the Alaska student achievement scholarship program.
10 The criteria to be considered under this subsection include the following:

11 (1) the quality of the job-training program offered by the career and
12 technical school;

13 (2) the employability of a graduate of the program, including whether
14 the program results in a certificate or license that is recognized by the industry for
15 which the training prepares the student;

16 (3) whether jobs in the industry for which the training prepares the
17 student are available or expected to be available in the future in the state;

18 (4) other criteria established by the Department of Labor and
19 Workforce Development in regulation.

20 (c) A postsecondary institution is physically located in the state if the campus,
21 teachers, classrooms, school administrators, and equipment used to provide the
22 education to the students are physically present in the state. Use of virtual, electronic,
23 or online materials by teachers in the state does not disqualify a postsecondary
24 institution even if the materials are generated outside the state. However, a
25 correspondence, virtual, electronic, or online program that is administered from
26 outside the state is not physically located in the state even if the program is delivered
27 by teachers or equipment in the state.

28 **Sec. 14.43.840. Application and award.** (a) The commission shall establish
29 application procedures for students to apply for an Alaska student achievement
30 scholarship.

31 (b) The commission shall adopt procedures for payment of scholarship awards

1 to the institution attended by the scholarship recipient. Payment of a scholarship is
2 subject to appropriation. If insufficient funds are appropriated to pay all eligible
3 scholarships, the commission shall pay existing awards on a pro rata basis.

4 (c) A student who is awarded a scholarship in error shall be required to refund
5 to the state the amount of the scholarship awarded in error.

6 **Sec. 14.43.845. Alaska student achievement scholarship fund income**
7 **account.** The Alaska student achievement scholarship fund income account is created
8 as an account in the general fund. Money may be appropriated into the account from
9 the expendable earnings of the Alaska student achievement scholarship fund under
10 AS 37.14.750 - 37.14.790 and other sources. The commission may use money in the
11 account to pay scholarships awarded to students under AS 14.43.810 - 14.43.890.

12 **Sec. 14.43.850. Report to the legislature.** (a) To the extent permitted under
13 law, the department, the commission, the University of Alaska, the Department of
14 Revenue, and the Department of Labor and Workforce Development shall share data
15 necessary to prepare public reports regarding the program.

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

21 (1) the number of applicants and number and types of scholarships
22 awarded;

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

25 (3) data and trends in the data regarding high school and postsecondary
26 student performance, programmatic changes, and graduation rates over time.

27 **Sec. 14.43.890. Definitions.** In AS 14.43.810 - 14.43.890, unless the context
28 requires otherwise,

29 (1) "commission" means the Alaska Commission on Postsecondary
30 Education;

31 (2) "department" means the Department of Education and Early

1 Development;

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

5 (4) "military service" means active duty in the armed forces of the
6 United States;

7 (5) "program" means the Alaska student achievement scholarship
8 program established under AS 14.43.810 - 14.43.890;

9 (6) "school district" means a borough school district, a city school
10 district, a regional educational attendance area, and a state boarding school.

11 * Sec. 5. AS 14.45.130(a) is amended to read:

12 (a) A religious or other private school that elects to comply with AS 14.45.100
13 - 14.45.130 shall maintain permanent student records reflecting immunizations,
14 physical examinations, standardized testing, academic achievement, [AND] courses
15 taken at the school, and level of eligibility for an Alaska student achievement
16 scholarship under AS 14.43.810 - 14.43.890.

17 * Sec. 6. AS 23.05.060 is amended to read:

18 **Sec. 23.05.060. Powers of the department.** The department may

19 (1) enforce all state labor laws;

20 (2) act as mediator and appoint deputy commissioners of conciliation
21 in labor disputes whenever it considers the interest of industrial peace requires it;

22 (3) make investigations and collect and compile statistical information
23 concerning the conditions of labor generally and upon all matters relating to the
24 enforcement of this chapter;

25 (4) institute court proceedings against an employer of labor without
26 cost to the employee when it is satisfied that the employer has failed to pay an
27 employee an amount due by contract;

28 (5) issue cease and desist orders and other orders and regulations
29 necessary for the enforcement of state labor laws;

30 (6) in accordance with AS 37.07 (the Executive Budget Act), receive
31 and spend money derived from agreements with local governments, nongovernmental

1 organizations, or other persons;

2 (7) administer duties assigned to the department under the Alaska
3 student achievement scholarship program established in AS 14.43.810 -
4 14.43.890.

5 * Sec. 7. AS 36.30.850(b) is amended to read:

6 (b) This chapter applies to every expenditure of state money by the state,
7 acting through an agency, under a contract, except that this chapter does not apply to

8 (1) grants;

9 (2) contracts for professional witnesses to provide for professional
10 services or testimony relating to existing or probable lawsuits in which the state is or
11 may become a party;

12 (3) contracts of the University of Alaska where the work is to be
13 performed substantially by students enrolled in the university;

14 (4) contracts for medical doctors and dentists;

15 (5) acquisitions or disposals of real property or interest in real
16 property, except as provided in AS 36.30.080 and 36.30.085;

17 (6) disposals under AS 38.05;

18 (7) contracts for the preparation and transportation of ballots under
19 AS 15;

20 (8) acquisitions or disposals of property and other contracts relating to
21 airports under AS 02.15.070, 02.15.090, 02.15.091, and AS 44.88;

22 (9) disposals of obsolete property under AS 19.05.060;

23 (10) disposals of obsolete material or equipment under AS 35.20.060;

24 (11) agreements with providers of services under AS 47.25.071 -
25 47.25.095; AS 47.07; AS 47.08; AS 47.10; AS 47.12; AS 47.14; AS 47.17; AS 47.24;
26 and AS 47.27, including contractors under AS 47.27.050;

27 (12) contracts of the Department of Fish and Game for flights that
28 involve specialized flying and piloting skills and are not point-to-point;

29 (13) purchases of income-producing assets for the state treasury or a
30 public corporation of the state;

31 (14) [REPEALED]

1 (15)] a contract that is a delegation, in whole or in part, of investment
2 powers held by

3 (A) the commissioner of revenue under AS 14.42.200,
4 14.42.210, AS 18.56.095, AS 37.10.070, 37.10.071, or AS 37.14;

5 (B) the Board of Regents of the University of Alaska under
6 AS 14.40.250 - 14.40.491;

7 (15) [(16)] a contract that is a delegation, in whole or in part, of
8 investment powers or fiduciary duties of

9 (A) the Board of Trustees of the Alaska Permanent Fund
10 Corporation under AS 37.13;

11 (B) the Alaska Mental Health Trust Authority under
12 AS 37.14.001 - 37.14.099;

13 (16) [(17)] the purchase of books, book binding services, newspapers,
14 periodicals, audio-visual materials, network information services access, approval
15 plans, professional memberships, archival materials, objects of art, and items for
16 museum or archival acquisition having cultural, historical, or archaeological
17 significance; in this paragraph

18 (A) "approval plans" means book selection services in which
19 current book titles meeting an agency's customized specifications are provided
20 to the agency subject to the right of the agency to return those books that do
21 not meet with the agency's approval;

22 (B) "archival materials" means the noncurrent records of an
23 agency that are preserved after appraisal because of their value;

24 (C) "audio-visual materials" means nonbook prerecorded
25 materials, including records, tapes, slides, transparencies, films, filmstrips,
26 cassettes, videos, compact discs, laser discs, and items that require the use of
27 equipment to render them usable;

28 (D) "network information services" means a group of resources
29 from which cataloging information, holdings records, inter-library loans,
30 acquisitions information, and other reference resources can be obtained;

31 (17) [(18)] contracts for the purchase of standardized examinations for

1 licensure under AS 08;

2 (18) [(19)] contracts for home health care provided under regulations
3 adopted by the Department of Health and Social Services and for adult residential care
4 services provided under regulations adopted by the Department of Health and Social
5 Services or by the Department of Administration;

6 (19) [(20)] contracts for supplies or services for research projects
7 funded by money received from the federal government or private grants;

8 (20) [(21)] guest speakers or performers for an educational or cultural
9 activity;

10 (21) [(22)] contracts of the Alaska Industrial Development and Export
11 Authority for a clean coal technology demonstration project that

12 (A) is attempting to develop a coal-fired electric generation
13 project;

14 (B) uses technology that is capable of commercialization
15 during the 1990's; and

16 (C) qualifies for federal financial participation under P.L. 99-
17 190 as amended;

18 (22) [(23)] operation and protection of assets or disposals of equipment
19 and supplies acquired through foreclosure or other legal proceedings relating to loans
20 issued under AS 03.10;

21 (23) [(24)] purchases of curatorial and conservation services to
22 maintain, preserve, and interpret

23 (A) objects of art; and

24 (B) items having cultural, historical, or archaeological
25 significance to the state;

26 (24) [(25)] acquisition of confidential seismic survey data necessary
27 for pre-sale oil and gas lease or gas only lease analyses under AS 38.05.180;

28 (25) [(26)] contracts for village public safety officers;

29 (26) [(27)] purchases of supplies and services to support the operations
30 of the Alaska state troopers or law enforcement officers engaged in fish and wildlife
31 protection if the procurement officer for the Department of Public Safety makes a

1 written determination that publicity of the purchases would jeopardize the safety of
2 personnel or the success of a covert operation;

3 (27) [(28)] expenditures when rates are set by law or ordinance;

4 (28) [(29)] construction of new vessels by the Department of
5 Transportation and Public Facilities for the Alaska marine highway system;

6 (29) [(30)] contracts entered into with a regional development
7 organization; in this paragraph, "regional development organization" has the meaning
8 given in AS 44.33.895;

9 (30) [(31)] contracts that are to be performed in an area outside of the
10 country and that require a knowledge of the customs, procedures, rules, or laws of the
11 area;

12 (31) [(32)] contracts that are between the Department of Law and
13 attorneys who are not employed by the state and that are for the review or prosecution
14 of possible violations of the criminal law of the state in situations where the attorney
15 general concludes that an actual or potential conflict of interest makes it inappropriate
16 for the Department of Law to review or prosecute the possible violations;

17 (32) [(33)] contracts between the Department of Natural Resources and
18 contractors qualified to evaluate hydrocarbon development, production, transportation,
19 and economics, to assist the commissioner of natural resources in evaluating
20 applications for royalty increases or decreases or other royalty adjustments, and
21 evaluating the related financial and technical data, entered into under AS 38.05.180(j);

22 (33) [(34)] contracts of the Alaska Industrial Development and Export
23 Authority made with the developer of an integrated transportation and port facility
24 owned by the authority;

25 (34) [(35)] procurements of contracts with the media for advertising;

26 (35) [(36)] [REPEALED

27 (37)] contracts between the state medical examiner and a provider of
28 medical services to perform or assist in performing the duties assigned to the state
29 medical examiner in AS 12.65.020;

30 (36) [(38)] contracts between the commissioner of revenue and an
31 independent contractor under AS 43.82.240;

1 **(37)** [(39)] contracts for a convener under AS 44.62.730 or for a
2 facilitator under AS 44.62.760 related to a negotiated regulation making process under
3 AS 44.62.710 - 44.62.800;

4 **(38)** [(40)] REPEALED

5 (41)] a tourism marketing contract awarded under AS 44.33.125;

6 **(39)** [(42)] grants and contracts with qualified entities for services
7 under AS 47.18.330 for the foster care transition program;

8 **(40)** [(43)] contracts for travel services, including airplane travel, hotel
9 accommodations, and travel agency services, but excluding motor vehicle rentals;

10 **(41)** [(44)] contracts of the Alaska Commission on Postsecondary
11 Education or the Alaska Student Loan Corporation for the guarantee and disbursing of
12 financial aid money to institutions of postsecondary education under the financial aid
13 programs under AS 14.43.091 - 14.43.750 and AS 14.44.025;

14 **(42)** contracts of the Alaska Commission on Postsecondary
15 Education for the servicing and disbursing of financial aid money to institutions
16 of postsecondary education under the financial aid programs under AS 14.43.810
17 - 14.43.890;

18 **(43)** [(45)] contracts for an arbitration panel to determine whether a
19 project is uneconomic under AS 43.90.240, and contracts for the development of
20 application provisions for licensure and for the evaluation of those applications under
21 AS 43.90;

22 **(44)** [(46)] contracts for delivery of home heating assistance under
23 AS 47.25.626;

24 **(45)** [(47)] contracts of the Alaska Pension Obligation Bond
25 Corporation under AS 37.16.010 - 37.16.900.

26 * **Sec. 8.** AS 37.14 is amended by adding new sections to read:

27 **Article 8A. Alaska Student Achievement Scholarship Fund.**

28 **Sec. 37.14.750. Alaska student achievement scholarship fund established.**

29 (a) The Alaska student achievement scholarship fund is established as a fund of the
30 state. The fund consists of

31 (1) appropriations to the fund;

1 (2) donations to the fund; and

2 (3) income earned on investments of fund assets.

3 (b) The commissioner of revenue shall manage the fund with the goal that the
4 purchasing power of the fund will not diminish over time without regard to additional
5 contributions that may be made to the fund. The commissioner shall invest the assets
6 of the fund in a manner likely to yield at least a five percent real rate of return over
7 time.

8 (c) Nothing in this section creates a dedicated fund.

9 **Sec. 37.14.755. Powers and duties of the commissioner of revenue.** In
10 carrying out the investment duties under AS 37.14.750 - 37.14.790, the commissioner
11 of revenue has the powers and duties set out in AS 37.10.071. The commissioner shall
12 provide reports to the Department of Education and Early Development, the
13 Department of Labor and Workforce Development, and the Alaska Commission on
14 Postsecondary Education on the condition and investment performance of the fund.

15 **Sec. 37.14.760. Use of fund.** As soon as practicable after July 1 of each year,
16 the commissioner of revenue shall determine the average month-end market value of
17 the fund for the immediately preceding three fiscal years. The commissioner shall
18 identify five percent of that amount as available for appropriation by the legislature for
19 appropriation to the Alaska student achievement scholarship fund income account
20 created under AS 14.43.845 from which the Alaska Commission on Postsecondary
21 Education may award scholarships under AS 14.43.810 - 14.43.890. The
22 commissioner shall also report as available for appropriation a running total of
23 amounts previously identified as available for appropriation to the Alaska student
24 achievement scholarship fund income account but not appropriated.

25 **Sec. 37.14.790. Definitions.** In AS 37.14.750 - 37.14.790, unless the context
26 requires otherwise,

27 (1) "commissioner" means the commissioner of revenue;

28 (2) "fund" means the Alaska student achievement scholarship fund
29 established in AS 37.14.750(a).

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

1 TRANSITION: PROGRAM STANDARDS AND IMPLEMENTATION FOR
2 INITIAL SCHOOL YEARS. Notwithstanding any contrary provision of this Act, the
3 Department of Education and Early Development and the Department of Labor and
4 Workforce Development, after consultation with the Alaska Commission on Postsecondary
5 Education, may adopt regulations under AS 44.62 to implement their respective duties under
6 the Alaska student achievement scholarship program established in AS 14.43.810, enacted by
7 sec. 4 of this Act, so that a student

8 (1) may be eligible for the program even though the student did not fully meet
9 the required core academic curriculum for the school years beginning July 1, 2009, through
10 June 30, 2013; and

11 (2) who graduated from high school in this state after January 1, 2010, and
12 before July 1, 2011, and meets eligibility requirements for the program may apply for a
13 scholarship beginning July 1, 2011.

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

16 TRANSITION: REGULATIONS. The Department of Education and Early
17 Development, the Department of Labor and Workforce Development, and the Alaska
18 Commission on Postsecondary Education may proceed to adopt regulations necessary to
19 implement changes made to their respective authorities by this Act. The regulations take
20 effect under AS 44.62 (Administrative Procedure Act), but not before September 1, 2010.

21 * **Sec. 11.** Section 10 of this Act takes effect immediately under AS 01.10.070(c).

22 * **Sec. 12.** Except as provided in sec. 11 of this Act, this Act takes effect September 1, 2010.

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB 224
 () Publish Date: _____

Identifier (file name): SB224-DOLWD-CO-01-29-10 Dept. Affected: Labor and Workforce Development
 Title: Postsecondary Scholarships RDU: Office of the Commissioner
 Sponsor: Rules Committee Component: Commissioner's Office
 Requester: Senate EDC Component Number: 340

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 | 25.0 | | | | | | | |
| Supplies | | | | | | | | |
| Equipment | | | | | | | | |
| Land & Structures | | | | | | | | |
| Grants & Claims | | | | | | | | |
| Miscellaneous | | | | | | | | |
| TOTAL OPERATING | 25.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|--|

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

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 | 25.0 | | | | | | |
| 1005 GF/Program Receipts | | | | | | | |
| 1037 GF/Mental Health | | | | | | | |
| Other Interagency Receipts | | | | | | | |
| TOTAL | 25.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2010) cost: None

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)

These funds will be used to contract for services to assist in the drafting of regulations setting criteria for the career and technical school scholarship portion of the bill required under Section 14.43.835 of this legislation.

Prepared by: Guy Bell, Assistant commissioner
 Division: Office of the Commissioner
 Approved by: Click Bishop, Commissioner
 Agency: Department of Labor and Workforce Development

Phone: 465-2700
 Date/Time: 1/29/10 1:49 PM
 Date: 1/29/10

Introduced By: Education Committee
Date Introduced: Month day, 200X
Date Passed: Month day, 200X
Date Transmitted: Month day, 200X

RESOLUTION XX-XXXX

**A RESOLUTION BY THE GREATER FAIRBANKS CHAMBER OF COMMERCE (GFCC)
SUPPORTING THE GOVERNOR'S PERFORMANCE SCHOLARSHIP, A MERIT-BASED
SCHOLARSHIP FOR ALASKA HIGH SCHOOL STUDENTS**

WHEREAS, the graduation rate of Alaska high school students has fallen to 62%, below even the national average of 68%; and

WHEREAS, only half of those students who receive a high school diploma are academically prepared for post-secondary education (Greene and Winters 2005) and are ready for college-level reading assignments in the core study areas like math, history, science, and English (ACT, 2006); and

WHEREAS, at graduation, students will receive scholarships based on academic achievement and their hard work. For example, and A student at graduation from high school would get a 100% tuition scholarship award; a B student would get a 75% tuition award, and a C+ student would get a 50% tuition scholarship award; and

WHEREAS, the Governor's performance Scholarship could be used at the University of Alaska, at any certified, in-state job training institution and at other certified post-secondary institutions in Alaska; and

WHEREAS, by giving more students the opportunity to earn a scholarship like this and requiring it to be used at an in-state institution, we are building a better-trained workforce for Alaska and giving young people hope for their future; and

WHEREAS, there is no direct allocation of funds required – the funding mechanism uses existing monies in the State's savings account to create interest earnings to pay for the scholarships.

NOW THEREFORE BE IT RESOLVED that the Greater Fairbanks Chamber of Commerce, recognizing the importance of affordable and accessible higher education, supports the Alaska Governor's Performance Scholarship Initiative.

BE IT FURTHER RESOLVED that this resolution be distributed to:

Governor Sean Parnell, State of Alaska
Alaska State Legislature

Dan Britton
Board Chair
GFCC

Kurt Newman
Education Committee Chair
GFCC

Summary of the Governor's Performance Scholarship program

The governor's office is preparing legislation establishing the GPS (Governor's Performance Scholarship) program.

The proposal envisions these categories of scholarships:

Career and technical: acceptable GPA and an assessment score on a work-ready assessment for an award capped at \$2,500 a year for two years.

Silver: "C+" high school GPA and an acceptable score on a college-entrance assessment for an award equal to 50% of UA's tuition in the 2010-2011 academic year for up to 8 semesters.

Gold: "B" high school GPA and an acceptable score on a college-entrance assessment for an award equal to 75% of UA's tuition in the 2010-2011 academic year for up to 8 semesters.

Platinum: "A" high school GPA and an acceptable score on a college-entrance assessment for an award equal to 100% of UA's tuition in the 2010-2011 academic year for up to 8 semesters.

Use of the scholarships

The GPS may be used for tuition and other academic costs. Students would be allowed to use the GPS only after all other scholarship funds, including Alaska Scholars funds, have been expended. The GPS funds would be sent directly to the education institutions.

Eligibility criteria

- Eligible students must be Alaska residents as defined in AS 14.43.162(a)-(h).
- Home school and private school students are eligible if they can establish that they have the equivalent of a high school diploma and the required GPA, assessment scores and curriculum.
- Recipients must apply for the scholarship within six months of graduating high school.
- Recipients would have six years from high school to use their scholarship unless they receive an extension for military service.
- They must maintain a minimum GPA, such as 2.5, in the postsecondary school to remain eligible.
- Part-time college students would receive an award proportionate to their part-time status.

The Governor's Performance Scholarship program would provide financial incentives for high school students to earn admission to, and be prepared to excel at, public and private institutions of vocational or academic higher education in Alaska.

GPS recipients would be required to complete a rigorous course of study in high school, have good grades, and score well on an assessment. Students who meet the eligibility requirements would be entitled to a scholarship. Alaska's postsecondary institutions would remain free to determine their own admissions policies.

The program would begin with the high school Class of 2011, which would enter colleges or technical schools in the fall of 2011. The high school course requirements would be phased in over time. They are: four years of English, math and science, and three years of social studies. The rigorous course requirements are central to the program's value. The state currently requires high school graduates to take four years of English and three years of social studies -- but only two years of math and science.

ACT -- a nationwide nonprofit with extensive experience in college-entrance assessments -- reports that students are much more likely to do well in college if they have taken at least four years of English and three years of math, social studies and science in high school.

Note that the Governor's Performance Scholarship has even higher requirements than that. In fact, ACT has found that students who take a curriculum similar to the GPS requirement are significantly more likely to do well in college than other students.

The GPS program would require school districts to talk to students in the spring of their eighth grade year, or students who are enrolling in an Alaska public high school for the first time, about their high school curriculum options and the GPS program. Parents and guardians would be invited to attend the session.

The goals of GPS are to:

- improve students' performance in high school;
- increase high school graduation rates;
- improve students' preparation for college-level work;
- improve students' scores on college entrance exams, which are the basis for some national scholarships;
- bolster the rigor of high schools' curriculums;
- boost students' opportunities for job training;
- increase parents' involvement in their children's education;
- reduce students' remediation in college;
- increase students' academic achievement in institutions of higher education;
- and provide for timely completion of higher education degrees.

SENATE COMMITTEE REPORT

First Committee of Referral

DATE: 1/19/10

FURTHER: Finance

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

DATE TURNED
IN TO OFFICE: 3/25/10

Education Committee considered SENATE BILL NO. 224

SB 224 POSTSECONDARY SCHOLARSHIPS

"An Act establishing the governor's performance scholarship program and relating to the program; establishing the governor's performance scholarship fund and relating to the fund; relating to student records; making conforming amendments; and providing for an effective date."

and recommends:

- be replaced with SCS or CS SB 224 (EDC)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

| | |
|---|--|
| SENATE BILL: | |
| <input type="checkbox"/> Same Title | |
| <input checked="" type="checkbox"/> New Title | |
| <hr/> | |
| HOUSE BILL: | |
| <input type="checkbox"/> Same Title | |
| <input type="checkbox"/> Technical Title Change | |
| <input type="checkbox"/> New Title w/ SCR # _____ | |

NEW FISCAL NOTE(S):

| Department | Date | Fiscal | Indet | Zero | FN# |
|------------|------|--------|-------|------|-----|
| EED | 3/19 | ✓ | | | |
| | | | | | |
| | | | | | |
| | | | | | |

PREVIOUS FISCAL NOTE(S):

| Department | Date | Fiscal | Indet | Zero | FN# |
|------------|-------|--------|-------|------|-----|
| EED | 12/1 | ✓ | | | 4 |
| REV | 11/25 | ✓ | | | 2 |
| DOL | 12/9 | ✓ | | | 1 |
| | | | | | |

APPROPRIATION - no fiscal note

| SIGNATURES AND RECOMMENDATIONS: | PRINTED LAST NAME | DO PASS | DO NOT PASS | NO REC | AMEND |
|---------------------------------|-------------------|-------------------------------------|-------------|-------------------------------------|-------------------------------------|
| | HUGHES | | | | <input checked="" type="checkbox"/> |
| | DAVIS | <input checked="" type="checkbox"/> | | | |
| | OLSON | | | <input checked="" type="checkbox"/> | |
| CO-CHAIR: | Mayer | <input checked="" type="checkbox"/> | | | |
| CO-CHAIR: | Thomas | <input checked="" type="checkbox"/> | | | |