

**SB**

**236**

<target><bill>SB 236</bill><subject>SB  
236</subject><comm>SFIN26</comm></target>

# SENATE EDUCATION COMMITTEE

CO-CHAIRMEN:  
SENATOR KEVIN MEYER  
SENATOR JOE THOMAS



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

## **Sponsor Statement for Senate Bill 236**

*An Act relating to tax credits for cash contributions by taxpayers that are accepted for certain educational purposes or for a facility...*

Under current law, state income tax payers who make cash contributions to an Alaskan educational or vocational institution receive a tax credit of 50 percent for contributions up to \$100,000 and 100 percent for contributions between \$100,000 and \$200,000. Therefore, maximum tax credit allowable in any given year is \$150,000.

SB 236 amends current the current statutes regarding higher education tax credits by adding a third tier - allowing for a 50 percent tax credit for contributions in excess of \$200,000.

This limit appears to be having a constraining effect on corporate donations to & investments in educational and vocational institutions in Alaska. In 2008, only 11 donors contributed enough to the University of Alaska to maximize the current tax credit; only 4 donors gave more.

Many major employers in Alaska understand that the future success of their businesses requires a highly skilled workforce. These businesses want to hire Alaskans from Alaska's vocational schools, colleges and universities. In addition, many businesses are interested in, through commercialization of university-generated information and technologies, helping Alaska's universities expand their existing scientific research & development capacities – a process that has become a major source for economic development and diversification in other states.

By facilitating greater cooperation between Alaska's business and education sectors, and encouraging greater financial support from the former to the latter, SB 236 hopes important workforce and economic development goals such as the following can be achieved:

- Strengthening workforce development and job opportunities for Alaskans
- Increasing collaboration between Alaska's employers and its higher education institutions
- Diversifying funding sources for Alaska's higher education institutions
- Enhancing student success through internships, K-12 outreach, camps, and other developmental programs
- Developing research programs that contribute to economic development in Alaska

26-LS1191\S

2/1/10

Jomo Stewart, Committee Aide  
(907) 465 - 6874

Murray Richmond, Committee Aide  
(907) 465 - 6443

Senate\_Education@legis.state.ak.us

# SENATE FINANCE COMMITTEE REPORT

DATE: 2/18/10

FURTHER:

DATE TURNED  
IN TO OFFICE: \_\_\_\_\_

Finance Committee considered SENATE BILL NO. 236

## SB 236 TAX CREDITS FOR EDUCATIONAL CONTRIBUTIONS

"An Act relating to tax credits for cash contributions by taxpayers that are accepted for certain educational purposes or for a college facility; and providing for an effective date."

and recommends:

- be replaced with  SCS or  CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous  SCS or  CS SB 236 (edc)
- attached amendment(s)
- adopt \_\_\_\_\_ Letter of Intent
- further referral to \_\_\_\_\_ Committee

<b>SENATE BILL:</b>	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
<hr/>	
<b>HOUSE BILL:</b>	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

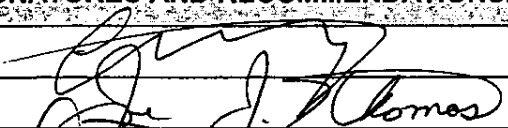
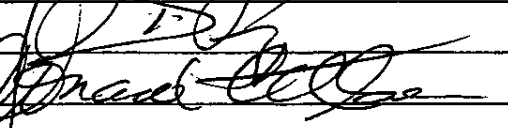

**NEW FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#
Rev	2/4/10		✓		1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Thomas	✓			
	Olson	✓			
CO-CHAIR:					
CO-CHAIR: 	Bradman				✓

# FISCAL NOTE

STATE OF ALASKA  
2010 LEGISLATIVE SESSION

Fiscal Note Number: 1  
Bill Version: CSSB 236(EDC)  
(S) Publish Date: 2/18/10

Identifier (file name): SB236-REV-TAX-02-04-10 Dept. Affected: Revenue  
Title: Tax Credits for Educational Contributions RDU: Taxation and Treasury  
Sponsor: (EDC) Education Component: Tax Division  
Requester: Co-Chairs (S)EDC Component Number: 2476

## 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
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>								
<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2010) cost: \_\_\_\_\_

### POSITIONS

Full-time								
Part-time								
Temporary								

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

See Attached

Prepared by: Tim Harper, Economist III/Johanna Bales, Deputy Director  
Division: Tax Division  
Approved by: Ginger Blaisdell, Director  
Administrative Services Division

Phone (907) 269-1020  
Date/Time 2-4-10; 12:55pm  
Date 2-4-10; 1:16pm

STATE OF ALASKA  
2010 LEGISLATIVE SESSIONBILL NO. CSSB 236(EDC)**ANALYSIS CONTINUATION****Bill Language:**

This bill increases the amount taxpayers who are currently eligible under AS 21.89.070, AS 21.89.075, AS 43.56.018, AS 43.20.014, AS 43.55.019, AS 43.65.018, AS 43.75.018, and AS 43.77.045 can take for education credits. Currently, taxpayers who meet the qualifications in the statutes are limited to \$150,000 in credits on the first \$200,000 in contributions. This bill would remove the cap on credits. All additional contributions in excess of \$200,000 would be eligible for a 50% tax credit.

The intent of this bill is to provide increased contributions to qualifying higher education institutions by removing the credit cap currently in place.

**Revenues:**

Revenues to the State of Alaska would decline if companies increase their contributions to qualifying higher education institutions. The amount of decline cannot be determined at this time, because it is impractical and impossible to speculate on taxpayer behavior in taking advantage of this credit.

For example: if corporations were to contribute \$100 million to a college, 50% of that donation would be a tax credit thereby reducing the state's general fund by \$50 million. As the bill is written currently, there is no limit on the contribution amount.

The maximum decline in revenues the SOA could expect is the loss of all Petroleum Production and Property Taxes, all Corporate Income Taxes, all Fisheries Business Taxes, all Fisheries Landing Taxes, all Mining License Taxes, and all Insurance Taxes. In FY 2009 these taxes totaled \$3,910,000,000. Forecasted revenues for these taxes in FY 2010 and FY 2011, are \$2,866,000,000 and \$3,281,000,000 respectively. This legislation would become effective for tax years beginning January 1, 2011. Therefore this credit would be allowed against tax liabilities due beginning in fiscal year 2012. In addition, the legislation provides that only contributions made prior to January 1, 2014 would be allowed as a credit. Therefore, the effects of this legislation would run through fiscal year 2014. Projected maximum revenue losses for fiscal years 2012 through 2014 are based on forecasted revenues for fiscal year 2011.

**Expenditures:**

The provisions of this bill can be implemented using existing resources.

# SENATE EDUCATION COMMITTEE

CO-CHAIRMEN:  
SENATOR KEVIN MEYER  
SENATOR JOE THOMAS



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

## SECTIONAL ANALYSIS CS for Senate Bill 236

### Section 1:

Amends existing statute to allow tax credits for contributions to secondary school level vocational education courses, programs and facilities.

Amends existing statute to allow tax credits for contributions to all state-operated vocational education courses, programs and facilities.

Adds language to allow tax credits for contributions for facilities at nonprofit, public or private, Alaska two- and four-year colleges or universities.

### Section 2:

Amends existing statute to create 50% tax credit on contributions in excess of \$200,000

### Section 3:

Amends current statute to disallow the redemption of tax credits earned for a single contribution being divided across multiple tax types.

Deletes language in existing statute limiting tax credits per contributor to a maximum of \$150,000 per year.

### Section 4:

Amends current statute to disallow the redemption of tax credits earned for a single contribution being divided across multiple tax types.

Deletes language in existing statute limiting tax credits per contributor to a maximum of \$150,000 per year.

Jomo Stewart, Committee Aide  
(907) 465 - 6874

Murray Richmond, Committee Aide  
(907) 465 - 6443

Senate\_Education@legis.state.ak.us

**Section 5:**

Amends existing statute to allow tax credits for contributions to secondary school level vocational education courses, programs and facilities.

Amends existing statute to allow tax credits for contributions to all state-operated vocational education courses, programs and facilities.

Adds language to allow tax credits for contributions for facilities at nonprofit, public or private, Alaska two- and four-year colleges or universities.

**Section 6:**

Amends existing statute to create 50% tax credit on contributions in excess of \$200,000

**Section 7:**

Amends current statute to disallow the redemption of tax credits earned for a single contribution being divided across multiple tax types

Leaves in place impact of claiming tax credits in Alaska on a contributor's ability to claim deductions for charitable giving under Federal Tax code.

Deletes language in existing statute limiting tax credits per contributor to a maximum of \$150,000 per year.

**Section 8:**

Amends existing statute to allow tax credits for contributions to secondary school level vocational education courses, programs and facilities.

Amends existing statute to allow tax credits for contributions to all state-operated vocational education courses, programs and facilities.

Adds language to allow tax credits for contributions for facilities at nonprofit, public or private, Alaska two- and four-year colleges or universities.

**Section 9:**

Amends existing statute to create 50% tax credit on contributions in excess of \$200,000

**Section 10:**

Amends current statute to disallow the redemption of tax credits earned for a single contribution being divided across multiple tax types.

Deletes language in existing statute limiting tax credits per contributor to a maximum of \$150,000 per year.

**Section 11:**

Amends existing statute to allow tax credits for contributions to secondary school level vocational education courses, programs and facilities.

Amends existing statute to allow tax credits for contributions to all state-operated vocational education courses, programs and facilities.

Adds language to allow tax credits for contributions for facilities at nonprofit, public or private, Alaska two- and four-year colleges or universities.

**Section 12:**

Amends existing statute to create 50% tax credit on contributions in excess of \$200,000

**Section 13:**

Amends current statute to disallow the redemption of tax credits earned for a single contribution being divided across multiple tax types.

Deletes language in existing statute limiting tax credits per contributor to a maximum of \$150,000 per year.

**Section 14:**

Amends existing statute to allow tax credits for contributions to secondary school level vocational education courses, programs and facilities.

Amends existing statute to allow tax credits for contributions to all state-operated vocational education courses, programs and facilities.

Adds language to allow tax credits for contributions for facilities at nonprofit, public or private, Alaska two- and four-year colleges or universities.

**Section 15:**

Amends existing statute to create 50% tax credit on contributions in excess of \$200,000

**Section 16:**

Amends current statute to disallow the redemption of tax credits earned for a single contribution being divided across multiple tax types.

Deletes language in existing statute limiting tax credits per contributor to a maximum of \$150,000 per year.

**Section 17:**

Amends existing statute to allow tax credits for contributions to secondary school level vocational education courses, programs and facilities.

Amends existing statute to allow tax credits for contributions to all state-operated vocational education courses, programs and facilities.

Adds language to allow tax credits for contributions for facilities at nonprofit, public or private, Alaska two- and four-year colleges or universities.

**Section 18:**

Amends existing statute to create 50% tax credit on contributions in excess of \$200,000

**Section 19:**

Amends current statute to disallow the redemption of tax credits earned for a single contribution being divided across multiple tax types.

Deletes language in existing statute limiting tax credits per contributor to a maximum of \$150,000 per year.

**Section 20:**

Amends existing statute to allow tax credits for contributions to secondary school level vocational education courses, programs and facilities.

Amends existing statute to allow tax credits for contributions to all state-operated vocational education courses, programs and facilities.

Adds language to allow tax credits for contributions for facilities at nonprofit, public or private, Alaska two- and four-year colleges or universities.

**Section 21:**

Amends existing statute to create 50% tax credit on contributions in excess of \$200,000

**Section 22:**

Amends current statute to disallow the redemption of tax credits earned for a single contribution being divided across multiple tax types.

Deletes language in existing statute limiting tax credits per contributor to a maximum of \$150,000 per year.

**Section 23:**

Establishes an effective date of January 1, 2011

**ALASKA NATIVE REGIONAL CORPORATIONS  
HIGHER EDUCATION PRIORITIES  
AUGUST 2009**

**Evaluation Criteria**

- responding to ANC workforce needs
- strengthening ANC-management and governance
- contributing to shareholder success
- increasing broader knowledge about ANCs
- serving ANC cultural interests
- maximizing impact through use of technology and other means

Project	Description	Priority
ANCSA course - web based	Inform students about ANCSA, increase visibility of ANCs <ul style="list-style-type: none"> <li>• Content would include history, culture, politics, economics</li> <li>• Modify existing, already approved course</li> <li>• Preferably web-based, self-paced with rich content (video, archive documents)</li> <li>• Could be targeted to enrolled students or new employees of ANCs</li> </ul>	<b>HIGH</b>
ANCSA course - GER	Inform students (degree seeking or not) about ANCSA, increase visibility of ANCs <ul style="list-style-type: none"> <li>• Content would include history, culture, politics, economics</li> <li>• Face to face course, could be used as a General Education Requirement (GER)</li> <li>• Would expose a large number of undergraduates to ANCs</li> </ul>	<b>HIGH</b>
Increase tax credit	Diversify funding, increase private funding, strengthen partnerships, increase exposure <ul style="list-style-type: none"> <li>• Current tax credit value maximized at contribution of \$150,000</li> <li>• Increase tax credit to 50% of contribution</li> </ul>	<b>HIGH</b>
Executive MBA	Enable working professionals to obtain MBAs without interrupting career or family life. Top business schools in the nation offer Executive MBA programs, which feature: <ul style="list-style-type: none"> <li>• Top quality curriculum and faculty</li> <li>• A cohort model, resulting in high student success and career long networks</li> <li>• Schedule designed for working people</li> <li>• Use of guest faculty and practitioners, providing real world perspectives and networking opportunities</li> </ul>	<b>HIGH</b>
ANCSA conferences	Expand knowledge of ANCSA history, issues, impacts, and opportunities <ul style="list-style-type: none"> <li>• ANC leaders and scholars can provide learning opportunities for students and the broader public</li> <li>• UA scholars and students can use as forums for presentation and later publication</li> <li>• ANCs receive recognition, become familiar to students and potential employees</li> </ul>	<b>HIGH</b>
High School outreach camps	Build on highly successful pre-college summer programs (RAHI, ANSEP) <ul style="list-style-type: none"> <li>• Offer dual credit with high schools</li> <li>• Possibly link with sports programs and internships</li> </ul>	<b>HIGH</b>
Self-paced developmental courses	Improve student preparedness and success through IT enabled self-paced courses <ul style="list-style-type: none"> <li>• Faculty design courses for delivery in learning centers with long hours accessible to high school students (dual credit), working people, etc., through self-paced on-line technology, with advanced students serving as on-site course guides</li> <li>• Highly successful examples have improved student performance and reduced cost</li> </ul>	<b>MEDIUM</b>
Alaska Native Arts	Expand course and program offerings <ul style="list-style-type: none"> <li>• Focus on development of high value arts and crafts</li> <li>• Support the development of new accomplished Native artists</li> </ul>	<b>MEDIUM</b>
Short courses for ANCs and tribes	Provide highly practical short training programs, e.g., grant writing and 8(a) <ul style="list-style-type: none"> <li>• Could be delivered on-site</li> <li>• Tailored to each company's specific needs and interests</li> </ul>	<b>MEDIUM</b>

**ALASKA NATIVE REGIONAL CORPORATIONS  
HIGHER EDUCATION PRIORITIES  
AUGUST 2009 (2)**

<b>Project</b>	<b>Description</b>	<b>Priority</b>
Political support	Provide support for University system priorities <ul style="list-style-type: none"> <li>• State budget: program funding</li> <li>• Land grant legislation</li> </ul>	<b>MEDIUM</b>
Cooperative education programs	Improve knowledge of employment opportunities for students and employers <ul style="list-style-type: none"> <li>• E.g., UAF Management School has proposed a 4 year program in which students spend 3 full semesters with 3 different employers</li> <li>• Experience with employers is for credit and integrated with the academic program</li> <li>• Common in engineering and business programs</li> </ul>	<b>MEDIUM</b>
Career Pathways	Show shareholders educational pathways for major job groups for each ANC <ul style="list-style-type: none"> <li>• University staff will take occupational data from each ANC, focus on high demand job categories and create educational pathway materials</li> <li>• Materials can be distributed widely to shareholders and others about the tracks, in terms of education and training needed, increasing number of prepared applicants</li> <li>• Can be used as an effective advising tool to prepare shareholders for existing jobs</li> </ul>	<b>MEDIUM</b>
ANCSA CEO in residence	Provide students and faculty insights on leadership of ANCs <ul style="list-style-type: none"> <li>• CEO would be available for a certain time period (semester or year)</li> <li>• CEO would visit classes, make presentations, advise faculty and mentor students</li> <li>• CEO could be interviewed for ANCSA and/or ANC corporate history</li> </ul>	<b>MEDIUM</b>
Visiting lecturers	Support visits of experts to campus <ul style="list-style-type: none"> <li>• Bring new/outside perspectives to campus, students, and faculty</li> <li>• Draw members of the community onto campus</li> </ul>	<b>MEDIUM</b>
Board of Directors' training	Strengthen leadership capabilities of board directors (Profit and non-profit) <ul style="list-style-type: none"> <li>• UA experts provide training in fields such as governance, finance, strategy, human resources</li> </ul>	<b>MEDIUM</b>
Histories of ANCSA Leaders and Corporations	Make available histories of ANCSA leaders for use in curriculum, research <ul style="list-style-type: none"> <li>• University faculty and students would conduct and record interviews- likely in high definition video</li> <li>• Text, video, etc., could be used in web-based and face to face classes</li> <li>• Way to formally preserve history for future generations of shareholders, teachers and historians</li> </ul>	<b>MEDIUM</b>
Collection of historic documents, images	Collect, preserve and archive papers and images of early land claims battles and development of the corporations <ul style="list-style-type: none"> <li>• Collect this material before it is lost</li> <li>• Reposited in designated sections of libraries which create visibility for the collections</li> </ul>	<b>MEDIUM</b>
Support Alaska Native Scholars	Provide support for Alaska Natives who are pursuing academic excellence in their disciplines <ul style="list-style-type: none"> <li>• Increases the number of Alaska Natives with advanced degrees</li> <li>• Strengthens diversity among the faculty</li> </ul>	<b>MEDIUM</b>
Provide scholarships in selected fields	Create an educated workforce in areas of importance to the ANCs <ul style="list-style-type: none"> <li>• Provide funding in targeted fields, those of high priority to the ANCs</li> <li>• Flexible in terms of funding, from an annual contribution to an endowment</li> <li>• Can change fields as ANC needs change</li> <li>• Supports connection between scholarship and UA</li> </ul>	<b>MEDIUM</b>
Facility purchase, construction, operation	Provide facilities (building, lecture halls, galleries, conference rooms, residence halls, labs) <ul style="list-style-type: none"> <li>• Funding to provide facilities would support added capacity, services</li> <li>• Would provide alternative to public funding</li> <li>• Would provide opportunity for naming, outreach</li> </ul>	<b>LOW</b>
Endow faculty chairs	Establish faculty positions with stable funding insulated from competing funding pressures <ul style="list-style-type: none"> <li>• UA has very few compared to other universities</li> <li>• Provide funding stability, earnings off invested principal</li> <li>• Can be set up as a term appointment (1 year, 3 years, 5 years)</li> <li>• \$4-5 million (approx, depending on academic field) required to establish</li> </ul>	<b>LOW</b>

**SITKA ECONOMIC DEVELOPMENT ASSOCIATION**

329 Harbor Drive, Suite 212 • Sitka, Alaska 99835 • (907) 747-2660 • fax (907) 747-7688 • www.sitka.net

RECEIVED

March 17, 2010

MAR 17 2010

Senator Bert Stedman  
Finance Committee Co-Chair  
Alaska State Capitol, Room #516  
Juneau, Alaska 99801

Dear Senator Stedman:

The Sitka Economic Development Association (SEDA) would like to express its support for Senate Bill 236, an "Act relating to tax credits for cash contributions by corporate taxpayers that are accepted for certain educational purposes or for a facility."

SEDA recognizes that education is a key component to economic development and requests your support for Senate Bill 236. The current cap of \$150,000 in annual tax credits on corporate contributions to Alaskan higher education institutions discourages maximum giving. Adding the 50% tax credit for contributions over \$200,000 will encourage larger corporate contributions to Alaska's Universities, colleges, and vocational training schools.

Institutions of higher education play a multi-faceted role in economic development by:

1. Creating a skilled workforce that is prepared to support Alaska's key industries;
2. Providing scientific research and development of new technologies that can be commercialized or utilized in a manner that benefits Alaska's communities; and
3. Directly contributing to local and regional economies through job creation and spending.

This bill is a significant step toward diversifying funding sources for Alaska's institutions of higher education and strengthening workforce development and employment opportunities for Alaskans.

We encourage passage of Senate Bill 236 during the current session of the Twenty-sixth Legislature.

Thank you for your consideration.

Best regards,

Garry White, Executive Director



**DOYON**  
Limited®

11 Doyon Plaza, Suite 300  
Fairbanks, Alaska 99701

Tom Greco (603) 773-4755  
Jim Fairbank's 459-2000

January 26, 2010

Dear Senate Education Committee Members:

On behalf of Doyon, Limited—a regional Alaska Native corporation with 17,500 shareholders and more than 3,000 employees in its family of companies—I am writing in strong support of Senate Bill 236, an Act relating to tax credits for cash contributions by taxpayers that are accepted for certain educational purposes or for a facility.

Under current law Alaska state income tax payers who make cash contributions to an Alaskan higher education institution (including vocational/technical programs) receive a tax credit of 50 percent of the contribution up to \$100,000 and 100 percent of the contribution between \$100,000 and \$200,000. The maximum tax credit in any one year is \$150,000.

While the current tax credit is helpful, the cap on the current tax credit does not encourage corporate donations to higher education institutions in Alaska. Senate Bill 236 would remove the cap, setting the stage for increased private funding for higher education in Alaska.

Our company operates more than a dozen businesses across the state. We are especially active in oil field services, government contracting, and natural resource development. We take pride in contributing to Alaska's economic development and diversification. We are committed to providing employment opportunities for Alaskans as we build our businesses in the future.

Our ability to continue to grow now and in the years to come requires a well trained workforce. While not all of our employees require a college degree, some certainly do, and the others require at least some training beyond high school. We want to hire Alaskans from Alaska's vocational schools, colleges and universities. In addition, we are interested in exploring opportunities for the commercialization of scientific research, a major source for economic development and diversification in other states.

Senate Bill 236 will level the playing field with other state investment tax credits and encourage business to partner with our state's educational institutions. With this critical partnership, we can achieve key workforce and economic development and diversification goals for Alaska.

Thank you for your consideration and support of this important legislation.

Sincerely,

Norman L. Phillips, Jr.  
President and CEO

LEADER in All We Do

[www.doyon.com](http://www.doyon.com)



**ANCSA REGIONAL ASSOCIATION**  
Bringing Together Regional Corporation Presidents and CEOs

PO Box 240766 • Anchorage, AK 99524 • 907 339 6052

December 22, 2008

Mr. Mark R. Hamilton, President  
University of Alaska Statewide System  
President's Office  
Suite 202 Butrovich Building  
Fairbanks, Alaska 99775

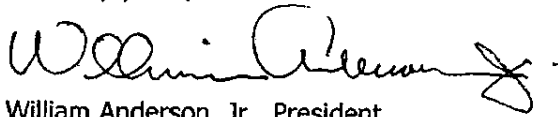
Dear President Hamilton:

On behalf of the ANCSA Regional Association, I am pleased to transmit the enclosed resolution.

The presidents and chief executive officers of the regional Alaska Native Corporations voted unanimously in support of this initiative to strengthen our corporations' ties with Alaska's university system. We appreciate your encouraging response to our invitation to discuss this initiative on November 18<sup>th</sup>, 2008 and we look forward to working closely with you and other university leaders to build on the good work already being done all across the state.

The opportunities afforded by this initiative to enhance our mutual interests are enormous. We stand ready to take the next step with you.

Sincerely yours,



William Anderson, Jr., President  
ANCSA Regional Association

**ANCSA Regional Association  
Resolution 08-01**

**IN SUPPORT OF ALASKA NATIVE EDUCATION**

**WHEREAS:** The ANCSA Regional Association (the Association) has as its members the Presidents and CEOs of the Alaska Native Regional Corporations; and

**WHEREAS:** The Regional Corporations represent Alaska Natives and their descendents enrolled with each individual organization who strive to provide meaningful benefits in the form of dividends, education and training, job opportunities, cultural preservation and land management as the largest private landowners in Alaska. The Regional Corporations collectively represent the economic interest of over 100,000 Alaska Native people; the Regional Corporations are among the largest Alaskan-owned businesses, employ thousands of Alaskans; and generate significant benefits to the Alaskan economy; and

**WHEREAS:** In a short period of 35 years since ANCSA was adopted, our people have developed the skills and vision to enable and empower current and future generations the ability to run these organizations successfully; and

**WHEREAS:** The University of Alaska—through its three universities and 13 community campuses—has been the sole provider of public higher education in Alaska since 1917 offering more than 500 academic programs ranging from certificates to doctoral degrees. These programs include training and research in subjects of special importance to Alaska Natives because of their cultural relevance and their contribution to political, social, and economic opportunity. And the University reaches out to encourage and to prepare young people to continue their education and career development. In 2007, the University enrolled over 4,000 Alaska Native Students; and

**WHEREAS:** The University of Alaska has created strong statewide initiatives in recent years to provide needed research, curriculum, and outreach programs in close partnership with the health, process technology, energy, mining, transportation, and other important Alaska industries. These programs meet critical workforce development needs, provide answers to Alaska's problems, and attract new students;

**WHEREAS:** Communication and collaboration with the University of Alaska will strengthen Alaska's Native Corporations and their shareholders—enhancing competitive capacity while increasing opportunities in high demand occupations in Alaska—as well as enrich the University of Alaska and its programs and services;

**NOW THEREFORE BE IT RESOLVED** that the Association recognizes the importance of education for our people and supports development of classes, programs and a better working relationship with the University of Alaska; and

**ANCSA Regional Association  
Resolution 08-01**

(Page 2)

**BE IT FURTHER RESOLVED** that the Association supports the formation of an Alaska Native Education and Research Council, which will:

- ♦ Develop—in partnership with the President of the University of Alaska—a program that identifies, prioritizes, and supports such activities as vocational and technical training, university academic curriculum, research, community outreach, endowed chairs, and other mutually determined activities that would meet the needs and serve the interests of the Alaska Native Corporations and the University;
- ♦ Provide funding in support of the program developed above; and
- ♦ Annually evaluate program progress and reprioritize activities as appropriate.

**BE IT FURTHER RESOLVED** that the following are examples of the activities that could be developed to promote current and future programs, classes, and an environment to enhance education of our Alaska Native people:

- ♦ A series of courses and areas of ANCSA emphasis within the University of Alaska's business management and public administration programs, including but not limited to MBA or MPA degree programs;
- ♦ Focused outreach programs using innovative technologies that improve student readiness for success in higher education and in their subsequent careers;
- ♦ Possible short courses for contracting (tribal and 8a and others);
- ♦ Degree completion and executive programs designed for working people which recognize academic credit for professional experience;
- ♦ Programs that support Alaska Native arts, culture, history, and languages;
- ♦ Facilities for housing ANCSA papers and historic documents;
- ♦ Endowed faculty chairs;
- ♦ Conferences for the exploration of the role of Alaska Natives in Statehood; and
- ♦ Research on the economic impact of ANCSA Corporations.

**ADOPTED AND DATED December 17, 2008.**

Board of Directors  
ANCSA Regional Association

  
President

12/22/2008  
Date