

SB

208

<TARGET><BILL>SB 208</BILL><SUBJECT>SB
208</SUBJECT><COMM>SFIN29</COMM></TARGET>

ALASKA STATE LEGISLATURE
SENATE FINANCE COMMITTEE

Senator Anna MacKinnon, Co-Chair
State Capitol, Room 516
Juneau, Alaska 99801-1182
Phone: (907) 465-3777
Sen.Anna.MacKinnon@akleg.gov



Senator Pete Kelly, Co-Chair
State Capitol, Room 518
Juneau, Alaska 99801-1182
Phone: (907) 465-3709
Sen.Pete.Kelly@akleg.gov

**Sponsor Statement
Senate Bill 208**

"An Act eliminating the Alaska education grant program and the Alaska performance scholarship program; and providing for an effective date."

Senate Bill 208 sunsets the direct State aid for post-secondary scholarships and grants provided through the Alaska performance scholarship (APS) program and the Alaska education grant (AEG) program. This legislation proposes a wind down period to allow current APS participants, and high school seniors in the preparatory process for this application period, to finish their course of study. The APS will close to new entrants following the application deadline this July and the program will be repealed in July of 2022. Although students must qualify annually for grants under the AEG program, the sunset coincides with that of the APS in this legislation.

These state scholarship programs were adopted at a time when oil value was setting not only record price, but record state revenue. Under SB 208 the State would still continue to fund the APS the program, and the corresponding AEGs during the wind down phase, providing an orderly closure of these programs as well as a glide path for the transition.

*adopted
4/16/16*

29-LS1581\E
Glover
4/4/16

CS FOR SENATE BILL NO. 208(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act eliminating the Alaska education grant program and the Alaska performance
2 scholarship program; and providing for an effective date."

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

4 * **Section 1.** AS 14.42.030(e) is amended to read:

5 (e) The commission may

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

7 to

8 (A) carry out the purposes of

9 (i) AS 14.43.091 - 14.43.325, 14.43.510 - 14.43.750

10 [AS 14.43.091 - 14.43.849], 14.43.990, AS 14.44, and AS 14.48; and

11 (ii) AS 14.43.910 and 14.43.920 as they relate to the

12 purposes of AS 14.43.091 - 14.43.325, 14.43.510 - 14.43.750

13 [AS 14.43.091 - 14.43.849], 14.43.990, AS 14.44, and AS 14.48;

14 (B) ensure compliance with the requirements imposed by state

1 and federal statutes and regulations governing the guaranty, insurance,
2 purchase, or other dealings in eligible loans by federal agencies,
3 instrumentalities, or corporations; and

4 (C) establish standards for the

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

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

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

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

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

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

21 (A) requests approval for participation in the programs under
22 AS 14.43.091 - 14.43.325, 14.43.510 - 14.43.750 [AS 14.43.091 - 14.43.750],
23 14.43.990, and AS 14.44; and

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

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

30 (7) if approved by the department, receive and analyze performance
31 data for students in grades kindergarten through 12 and enter into contracts for the

1 purpose of assessing education outcomes.

2 * **Sec. 2.** AS 14.43.810(a) is amended to read:

3 (a) The Alaska performance scholarship program is established to provide
4 scholarships for members of the high school graduating classes of 2016 and earlier
5 [GRADUATES] who are Alaska residents to attend a qualified postsecondary
6 institution in the state.

7 * **Sec. 3.** AS 14.43.820(a) is amended to read:

8 (a) Subject to appropriation, the commission shall award an Alaska
9 performance scholarship to an applicant who

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

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

13 (3) except as provided in (c) of this section, has completed a core
14 academic curriculum of high school level coursework that includes

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

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

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

25 (5) has achieved a minimum score 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; [AND]

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

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certificate or degree; **and**
(7) is determined eligible by the applicant's school district and reported as eligible to the department not later than October 31, 2016.

* **Sec. 4.** AS 14.43.825(b) is amended to read:

(b) A student's eligibility for a scholarship terminates six years after the date the student graduates from high school unless the student qualifies for an extension of time allowed by the department by regulation. **The department may not extend a student's eligibility for a scholarship past the 2021 - 2022 academic year.**

* **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 PERFORMANCE SCHOLARSHIP UNDER AS 14.43.810 - 14.43.849].

* **Sec. 6.** AS 37.14.750(a) is amended to read:

(a) The Alaska higher education investment fund is established in the general fund [FOR THE PURPOSE OF MAKING GRANTS AWARDED UNDER AS 14.43.400 - 14.43.420 BY APPROPRIATION TO THE ACCOUNT ESTABLISHED UNDER AS 14.43.915(a) AND OF MAKING SCHOLARSHIP PAYMENTS TO QUALIFIED POSTSECONDARY INSTITUTIONS FOR STUDENTS UNDER AS 14.43.810 - 14.43.849 BY APPROPRIATION TO THE ACCOUNT ESTABLISHED UNDER AS 14.43.915(b)]. Money in the fund does not lapse. The fund consists of

- (1) money appropriated to the fund;
- (2) income earned on investment of fund assets; **and**
- (3) donations to the fund [; AND
- (4) MONEY REDEPOSITED UNDER AS 14.43.915(c)].

* **Sec. 7.** AS 14.03.113 is repealed October 31, 2016.

* **Sec. 8.** AS 14.43.400, 14.43.405, 14.43.406, 14.43.415, 14.43.420, 14.43.810, 14.43.820, 14.43.825, 14.43.830, 14.43.840, 14.43.849, 14.43.915; and AS 37.14.750(c) are repealed October 31, 2022.

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

3 APPLICABILITY. (a) The Alaska Commission on Postsecondary Education may only
4 award an Alaska performance scholarship under AS 14.43.810 - 14.43.849 to a new applicant
5 if the applicant is determined eligible by the applicant's school district and reported as eligible
6 to the Department of Education and Early Development on or before October 31, 2016.

7 (b) In this section, "school district" has the meaning given in AS 14.43.849.

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 adopt regulations necessary to implement
13 changes made to their respective authorities by this Act. The regulations take effect under
14 AS 44.62 (Administrative Procedure Act), but not before the effective date of the law being
15 implemented.

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

18 RETROACTIVITY. Sections 2 - 4 of this Act are retroactive to October 31, 2016.

19 * **Sec. 12.** Sections 1, 5, and 6 of this Act take effect October 31, 2022.

20 * **Sec. 13.** Except as provided in sec. 12 of this Act, this Act takes effect immediately under
21 AS 01.10.070(c).

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

April 4, 2016

SUBJECT: Sectional summary (SB 208; Work Order No. 29-LS1581\E)

TO: Senator Pete Kelly
Attn: Brett Huber

FROM: Kate S. Glover *KG*
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1. Removes references to statutes that are repealed in later sections of the act.

Section 2. Amends AS 14.43.810(a) to limit Alaska performance scholarships to Alaska residents who are members of the high school graduating classes of 2016 and earlier.

Section 3. Provides that, to be eligible for an Alaska performance scholarship, a student must be determined eligible by the student's district and reported eligible to the Department of Education and Early Development (the department) not later than October 31, 2016.

Section 4. Prohibits the department from extending a student's eligibility for an Alaska performance scholarship past the 2021 - 2022 academic year.

Section 5. Amends AS 14.45.130(a), which relates to the duties of religious or private schools, to remove references to the Alaska performance scholarship.

Section 6. Amends AS 37.14.750(a), which establishes the Alaska higher education investment fund, to remove references to the Alaska education grant program and the Alaska performance scholarship program.

Section 7. Repeals AS 14.03.113, which requires school districts to determine whether graduating students are eligible for Alaska performance scholarships, on October 31, 2016.

Senator Pete Kelly
April 4, 2016
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Section 8. Repeals sections that establish the Alaska Advantage education grant program and the Alaska performance scholarship program on October 31, 2022.

Section 9. Provides that the Alaska Commission on Postsecondary Education may only award an Alaska performance scholarship to a new applicant who is determined eligible by the student's district and reported as eligible to the department on or before October 31, 2016.

Section 10. Allows the Department of Education and Early Development, the Department of Labor and Workforce Development, and the Alaska Commission on Postsecondary Education to adopt regulations necessary to implement the act. The regulations may not take effect before the effective date of the law being implemented.

Section 11. Makes sections 2 - 4 of the act retroactive to October 31, 2016.

Section 12. Provides that sections 1, 5, and 6 of the act take effect October 31, 2022.

Section 13. Provides that sections 2 - 4, and 7 - 10 of the act take effect immediately.

KSG:dla
16-404.dla

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
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(907) 465-3867 or 465-2450
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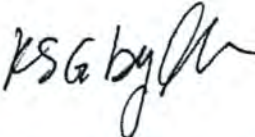
State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

March 26, 2016

SUBJECT: Sectional summary (SB 208; Work Order No. 29-LS1581\H)

TO: Senator Pete Kelly
Attn: Brett Huber

FROM: Kate S. Glover
Legislative Counsel 

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1. Removes references to statutes that are repealed in later sections of the act.

Section 2. Amends AS 14.43.810(a) to limit Alaska performance scholarships to Alaska residents who graduate from high school on or before July 15, 2016.

Section 3. Provides that, to be eligible for an Alaska performance scholarship, a student must apply to the commission on or before July 15, 2016.

Section 4. Prohibits the Department of Education and Early Development from extending a student's eligibility for an Alaska performance scholarship past July 15, 2022.

Section 5. Amends AS 14.45.130(a), which relates to the duties of religious or private schools, to remove references to the Alaska performance scholarship.

Section 6. Amends AS 37.14.750(a), which establishes the Alaska higher education investment fund, to remove references to the Alaska education grant program and the Alaska performance scholarship program.

Section 7. Repeals AS 14.03.113, which requires school districts to determine whether graduating students are eligible for Alaska performance scholarships, on July 16, 2016.

Section 8. Repeals sections that establish the Alaska Advantage education grant program and the Alaska performance scholarship program on July 16, 2022.

Senator Pete Kelly
March 26, 2016
Page 2

Section 9. Provides that the Alaska Commission on Postsecondary Education may not award an Alaska performance scholarship to a new applicant who first applies for a scholarship after July 15, 2016.

Section 10. Allows the Department of Education and Early Development, the Department of Labor and Workforce Development, and the Alaska Commission on Postsecondary Education to adopt regulations necessary to implement the act. The regulations may not take effect before the effective date of the law being implemented.

Section 11. Makes sections 2 - 4 of the act retroactive to July 15, 2016.

Section 12. Provides that sections 1, 5, and 6 of the act take effect July 16, 2022.

Section 13. Provides that sections 2 - 4, and 7 - 10 of the act take effect immediately.

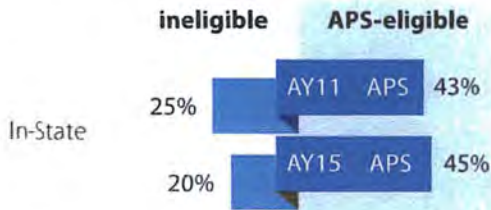
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Alaska's Performance Scholarship Delivers on Goals



How do APS-eligible students compare to other students?

Attendance Rates, Fall Following Graduation



APS-eligible graduates are more likely to pursue postsecondary education as well as more likely to do so in Alaska.

The opposite is true for ineligible graduates – their rates of attending anywhere are much lower and have declined over the same period.

First-Time UA Freshmen Students: Taking Remedial Credits, Fall 2015



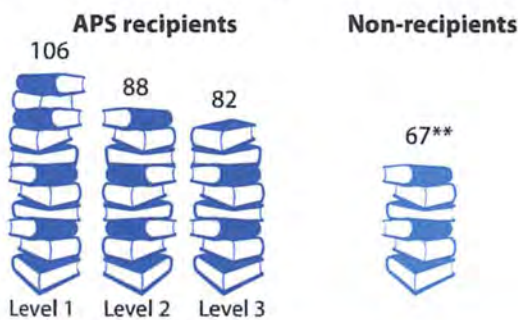
APS recipients require much less remediation*, than non-recipients.

Only one in five APS recipients took any remedial courses, but over one-half of non-recipients required remedial courses.

**Also known as developmental coursework*

How has the first class of APS recipients done so far?

AY12 First-Time UA Freshmen Students: Average Credit Hours Completed in 4 Years, Fall 2015



APS recipients accumulated credits at a faster rate than non-recipients. By year four, the average continuing Level 1 recipient had earned 106 credits, compared to 67 credits for non-recipients.

***Approximately one-third of UA's first-time freshmen in fall 2015 attended part-time; approximately half of these students are not recent high school graduates, and half took just one or two classes.*

Fall 2011 First-Time UA Freshmen Students: Persistence Rates



APS recipients in fall 2011 continued their studies at higher rates than non-recipients.

By fall 2015, the 2011 APS recipients were nearly twice as likely to continue their attendance – 46% versus non-recipients' 24% persistence rates.

Fall 2015 UA data is preliminary, based on opening data and subject to revision.

■ APS Recipients
■ Non-APS Recipients

Alaska Performance Scholarship and Alaska Education Grant History

APS	FY10	FY11	FY12	FY13	FY14	FY15	FY16 Budget	FY17 Budget
Awards	\$ -	\$ -	\$ 2,982,449	\$ 5,653,223	\$ 7,824,524	\$ 10,247,314	\$ 11,500,000	\$ 11,500,000
Recipients	0	0	930	1,710	2,330	2,934		

AEG	FY10	FY11	FY12	FY13	FY14	FY15	FY16 Budget	FY17 Budget
Awards	\$ 856,795	\$ 1,514,065	\$ 2,877,237	\$ 3,964,352	\$ 3,890,170	\$ 5,479,895	\$ 5,750,000	\$ 5,750,000
Recipients	870	2,318	2,532	3,813	2,543	3,901		

Historical data from ACPE Annual Reports

- Students in Alaska are likely facing substantial increases in the costs of pursuing postsecondary education and training.
- At current year average costs of attendance at our public university (\$21,500), after receiving an APS, recipients must find other ways and resources to cover 78% to 87% (between \$17,000 and \$19,000 annually) of the cost of full-time attendance.
- The UA Scholars program has been pointed to as an alternative; however, it covers only 14% (\$3,000) of current year costs and as of 2013-14, only 31% of APS recipients also received a UA Scholars award
- While Pell grants are available on a financial needs-basis, because many APS recipients are from middle-income families, less than one in five qualify for federal needs-based grants; and,
- For students who do qualify for federal aid, the current maximum Pell grant covers a little more than one-quarter of UA's average annual full-time cost of attendance

As I prepared these remarks, I did so confident that these are issues about which you are all familiar and have shared interest and concern. If you were not strong proponents of education and training, you simply would not have supported these programs through very substantial appropriations over the past five years. So, in concluding my testimony--my proposition to you would be, if SB208 is to advance, that the Legislature consider extending the phase out window during which graduating high school seniors can earn eligibility through the class of 2018.

That two-year extension would give student and families advance notice of your intent to terminate. It would also allow the Legislature to base your final decision on a full analysis of the programs' impacts. You could then examine whether the return on your investments in these Alaskans is worth institutionalizing for the long-term. This additional time would also inform your ultimate decision, should you conclude defunding is unavoidable, whether to fully repeal the programs or simply shutter them but leave program authorization in place with confidence that the State of Alaska will, in the future, have the financial capacity and collective will to once again support human resource development through these efforts.

Thank you again for this opportunity. I am available to respond to your questions.

of 60% of graduates. As a result of this pattern, the majority of these Alaskans are not prepared to fill the high skill, high wage employment opportunities needed to fuel a robust Alaska economy.

Unless we continue our efforts to disrupt this pattern, Alaska's business sectors, such as resource management and extraction, healthcare, education, and finance, will continue to pay hefty premiums to search for, import and retain workers in high skill trades or professions. The primary reason they are forced to import talent to the extent they must is because Alaska has done such a poor job of developing and retaining the talent of Alaskans born and raised here. And while they are spending significant resources in those efforts underprepared Alaskans are left competing for low skilled, low wage jobs which generally lack upward career mobility.

You took action to change the equation—and from what we can tell to date—you did. In your final design and funding of the state scholarship and grant programs, you made inroads toward addressing both outmigration and under-preparation at the root-cause level. You are incenting academic preparation and financially supporting postsecondary participation. As I noted earlier, after only four and a half years, your work has already begun to demonstrate the transformative impact of such sound public policy. The sharp contrast between APS-recipients and non-recipients relative to attendance, remediation and persistence rates are early, objective outcomes that document success. And they are just the tip of the iceberg relative to the longer-term benefits that will result from these programs.

Within the next two years, your original student cohort will have had six full years' access to the scholarship and will be engaged as part of the workforce. I am very confident the long-term program benefits will be amplified and illuminated as future APS reports reflect *Alaska* employment rates for APS graduates and Alaska Education Grant recipients compared both to their high school classmates who attended elsewhere and to graduates who did not successfully pursue postsecondary education and training.

So while I do recognize the fiscal pressures that have led you today to consider SB208, I want to also ensure you are aware of the fallout of doing so and are able to make a fully informed decision.

The APS data demonstrate that you were spot on. The program data reflect outcomes from the first four and a half years' operation:

- Of the almost 40,000 high school graduates of the classes of 2011 through 2015, almost 12,300 met APS eligibility requirements as did almost 250 private or home school graduates
- Through December 2015, approximately 5,250 students have received APS awards
- The one-page infographic I have shared with you highlights academic performance outcomes for APS recipients compared to non-recipient peers. I suggest that, collectively, these outcomes serve as a proof of concept that Alaska's scholarship works. We found:
 - Substantially higher postsecondary attendance rates in Alaska, as well as increasing in-state attendance among the highest-performing students, those who have traditionally been wooed away by other states
 - Much stronger academic performance in terms of reduced need for remediation, resulting in very significant savings for the students, and for the state
 - Much faster rates of progression toward a degree
 - Much higher persistence rates
- And... these performance statistics grow even stronger over time—for example, the initial lower remediation rates declined by an additional 7% between the initial class and current incoming students, reflecting gains associated with the full academic requirements having been phased in.

The term brain drain generally refers to an outmigration of our young people to other states. However, brain drain must be recognized as the product of two very distinct and economically-damaging historical patterns in Alaska; certainly one is the outmigration of talented, in-demand students (annually around 16% of high school graduates). These are the graduates who have the wherewithal to attend postsecondary education institutions elsewhere and who then, in significant numbers, remain where they have established new roots. Yet a substantially larger group is comprised of graduates who remain in Alaska. These graduates who, for a variety of reasons, fail to pursue and/or complete postsecondary education, make up in excess

Chairs: MacKinnon and Kelly

Members: Micciche, Bishop, Dunleavy, Hoffman, and Olson

I appreciate being among those invited to appear before you today and offer comment on Senate Bill 208.

Let me start by acknowledging those of you who played a key part in establishing the programs this legislation would now eliminate. I understand your sponsorship of this proposal in no way reflects that you do not value student financial assistance but rather is one component of a planned response to the state's financial straits.

Alaska's lawmakers, as budget appropriators, are faced with the unenviable task of deciding the health and future of our state for the near-term and the long-term. Senate Bill 208 seeks to address short-term needs by proposing an immediate phase out and repeal of the Alaska Performance Scholarship and Alaska Education Grant--the only state-funded financial aid programs for residents attending postsecondary education and training programs here in Alaska. The stated objective of the bill is to enable the repurposing of monies in the Higher Education Investment Fund for other state obligations.

As legitimate as that objective may be, investments in Alaska's students—through scholarships and grants—similar to investments in oil and gas pipelines, are clearly in Alaska's long-term interest. In the face of the state's current financial challenges, a decision in favor of continuing investments requires a strong conviction that, in order for our state and citizens to prosper, it is essential to cultivate a highly trained and educated resident workforce.

You may recall that it was due to your shared belief six years ago, that the Legislature acted in a fully bipartisan fashion to invest an inordinate amount of time and energy debating the appropriate design and operation of the Alaska Performance Scholarship. Your goal was to ensure Alaska's students, families, schools and entire statewide community could do better in areas where Alaska's performance has historically lagged well behind the rest of the states. Your unanimous actions expressed in no uncertain terms that you recognized the critical importance of retaining our young talent and sending a message to every student that if they worked hard and made the right academic choices that could pay off for them.



To: Senate Finance Committee
Relevant, Interested Parties

Cc: USUAA General Assembly

From: Jonathon Taylor - President, USUAA Student Government

A handwritten signature in black ink that reads "Jonathon Taylor".

Date: March 29, 2016

Re: **Opposition to SB 208**

As student leaders, we are very cognizant of the financial situation the state currently faces. However, we are deeply concerned and disappointed with SB 208, and urge that you oppose it.

The Union of Students of the University of Alaska Anchorage (USUAA) strongly supports the Alaska Performance Scholarship Program (APS) for three main reasons. First, APS is a strong incentive for high school students to maintain high-levels of academic achievement. On the whole, the prospect of a potentially full-ride academic scholarship based on your GPA is an incentive that simultaneously encourages secondary educational achievement, and postsecondary aspirations. SB 208 removes that dual incentive, implying to students that educational achievement isn't important to state leaders.

Second, the APS makes college accessible for many students who wouldn't be able to attend otherwise. It bridges an important gap, reaching students who have great potential, but do not meet the qualifications to be a UA Scholar. The result is that, since its inception, more Alaska high school graduates are choosing to stay in Alaska to pursue their higher education, as opposed leaving the state, or not attending at all. SB 208 drastically increases the likelihood that high school graduates will opt out of college entirely due to the expense.

Finally, and perhaps most importantly, APS encourages students to get their college degrees in Alaska. Reams of social science research over the last decade has consistently shown that the surest indicator of where an individual will put down roots, get a job, start a family, and contribute to society is where they graduate from college. The message SB 208 sends to students is that they are not wanted here in Alaska, and they would be far better off going elsewhere to pursue their education. On face, this is problematic; USUAA shudders at the thought of state leaders actually believing that sending students to schools in the Lower 48 is good for the state.

Even if that isn't the case, the message Senate Finance is sending to Alaska students is that they simply don't matter. Augmented by the body's refusal to heed student voices on SB 174, and the budget cuts which will likely spell the end of some academic programs, students feel attacked, unheard, and marginalized. At that point, many current and future students will feel justified in leaving the state and enrolling in a state that values their education and their voices.

While the state does face a budget crisis, we tell you that balancing that gap on the backs of students is not only morally questionable, but practically dangerous for the long-term future of the state. We strongly urge you to oppose SB 208.

JT

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Monday, March 28, 2016 4:20 PM
To: Senate Finance Committee
Subject: FW: SB 208 - Alaska Performance Scholarship

From: Trevor Grams [mailto:tsgrams@alaska.edu]
Sent: Monday, March 28, 2016 4:06 PM
To: Sen. Donny Olson <Sen.Donny.Olson@akleg.gov>; Sen. Lyman Hoffman <Sen.Lyman.Hoffman@akleg.gov>; Sen. Mike Dunleavy <Sen.Mike.Dunleavy@akleg.gov>; Sen. Click Bishop <Sen.Click.Bishop@akleg.gov>; Sen. Peter Micciche <Sen.Peter.Micciche@akleg.gov>; Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>; Sen. Pete Kelly <Sen.Pete.Kelly@akleg.gov>
Subject: SB 208 - Alaska Performance Scholarship

Senate Finance Committee,

I am a Junior at the University of Alaska Fairbanks and am maintaining a 3.8 GPA. I am currently receiving both the Alaska Performance Scholarship and the UA Scholars Scholarship.

After high school, I applied and was accepted to several universities in the lower 48. Ultimately, I decided to attend UAF because I felt it offered the best balance between cost and quality of education. If I was not offered financial aid from the APS and UA Scholars Scholarship, I likely would have chose a University out of state.

The APS and UA Scholars scholarship makes the University of Alaska very attractive for high achieving students. I believe it is crucial for the State to continue to work to keep motivated students in Alaska as they receive a higher education and move into the workforce. Cutting scholarships will likely lower enrollment in the University of Alaska, especially among high achieving students.

Please consider the importance of the Alaska Performance Scholarship and UA Scholars Scholarship when voting on SB 208.

Sincerely,

Trevor Grams

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Tuesday, March 29, 2016 9:27 AM
To: Senate Finance Committee
Subject: FW: SB 208

From: Sallie Rediske [mailto:sallierediske@gmail.com]

Sent: Tuesday, March 29, 2016 7:34 AM

To: Sen. Pete Kelly <Sen.Pete.Kelly@akleg.gov>; Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>; Sen. Peter Micciche <Sen.Peter.Micciche@akleg.gov>; Sen. Click Bishop <Sen.Click.Bishop@akleg.gov>; Sen. Mike Dunleavy <Sen.Mike.Dunleavy@akleg.gov>; Sen. Lyman Hoffman <Sen.Lyman.Hoffman@akleg.gov>; Sen. Donny Olson <Sen.Donny.Olson@akleg.gov>

Subject: SB 208

Dear Senate Finance Committee:

Do not eliminate or cut the performance-based scholarships for Alaskan students.

- You will be ensuring the brain and ECONOMIC drain for AK. Without this incentive, these students will leave our state for school and many, permanently. They are the ones who will STAY to work and live in AK after graduating from our UA schools and create and grow our NON-FOSSIL fuel economy solutions.
- Fix the tax issues with the oil companies. They are not charitable organizations that need our charity.
- Expect those with resources to pay their fair share of property, sales and income taxes. Our children do not need to bear the burden of our mismanagement of taxation.

Sincerely,
Sallie Rediske
64893 Da Mar Loop
Homer, AK 99603
907-235-7921

Doniece Gott

From: Liz Downing <eadowning@gmail.com>
Sent: Tuesday, March 29, 2016 11:14 AM
To: Senate Finance Committee
Cc: Sen. Gary Stevens; Rep. Paul Seaton
Subject: Opposed to SB 208

I understand the financial constraints our state faces in light of low oil prices. I strongly support your efforts to commit to a fiscal plan to strengthen Alaska's future. We all know that we cannot cut our way through this but that cuts are a necessary part of the solution.

That said, eliminating the Alaska Performance Scholarship will cause more harm than good. The impact is not just to the University, but to all of our youth. The APS is a strong incentive for graduation. It is a strong incentive to stay in Alaska. It is a strong incentive for advanced career and technical education. It is a strong incentive to higher education that creates productive and informed citizens. It reaches beyond the top 10% as the University Scholars Program does, and provides opportunity to a majority of our students.

I am the mother of a college freshman. Many of his friends are in college in Alaska because of the APS. My son did not qualify in spite of the fact that he had 5 math courses through AP Calculus, 3 years of foreign language, 4 years of language arts (with two AP courses), 4 years of science (again, 2 AP courses), 3 college courses starting in his sophomore year, and straight A grades throughout high school graduating at the top of his class at Homer High. His courses didn't fit neatly into the two categories but exceeded most of the requirements in each. He is not in college in Alaska. If he qualified for the APS, we certainly would have taken a harder look at his opportunities here.

As a school board member and 25 year veteran of University of Alaska student services, I have seen the positive impact of the APS. Yes, cuts are necessary. This one is not. It will leave a sour taste for government in our children and their parents and weaken, not strengthen, our state. Please keep your commitment to the Alaska Performance Scholarship.

Thank you,

Liz Downing

Doniece Gott

From: j.middleton43@gmail.com
Sent: Tuesday, March 29, 2016 10:45 AM
To: Senate Finance Committee
Subject: The Alaska Performance Scholarship

Dear Alaskan Legislators,

My name is Julia Middleton and I'm a student at Sitka High School. During my trip to Juneau we found out about Senate bill 208 that would eliminate the Alaskan Performance Scholarship. This scholarship helps so many Alaskans get a higher education, it helps alleviate debt and encourages students to stay in Alaska. Eliminating this scholarship would be a huge mistake. Please consider the students and the future of Alaska.

-Julia Middleton

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Wednesday, March 30, 2016 9:18 AM
To: Senate Finance Committee
Subject: FW: Do Not balance the budget on the backs of Alaska's children

From: Marti Pausback [mailto:martipausback@gmail.com]
Sent: Wednesday, March 30, 2016 8:07 AM
To: Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>; governor@alaska.gov
Subject: Do Not balance the budget on the backs of Alaska's children

Hello Senator Mackinnon

Please do not balance the state budget on our children's backs. I am opposed to SB 208 and SB207. This is a terrible way to shift our state's current budget crises to our children's future. This is wrong and unfair.

We need to face the crisis head on in full honesty and have a three prong approach... Income tax, judicious use of permanent fund and cuts to government services.

I strongly oppose both SB 208 and SB 207, Both these bills cut education funds and hurt our children's future. There are many other ways to balance the budget these include. Savings and other revenues. A responsible and proactive legislature would explore these options instead of cutting education

Thanks
Marti Pausback
3220 Beamreach Ct.
Anchorage Ak 99516

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Wednesday, March 30, 2016 9:21 AM
To: Senate Finance Committee
Subject: FW: SB 207, 208, 209

From: Rebecca Bernard [mailto:rbernard.ak@gmail.com]
Sent: Wednesday, March 30, 2016 9:20 AM
To: Sen. Pete Kelly <Sen.Pete.Kelly@akleg.gov>; Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>; Sen. Click Bishop <Sen.Click.Bishop@akleg.gov>; Sen. Donny Olson <Sen.Donny.Olson@akleg.gov>; Sen. Lyman Hoffman <Sen.Lyman.Hoffman@akleg.gov>; Sen. Mike Dunleavy <Sen.Mike.Dunleavy@akleg.gov>; sen.pete.micciche@akleg.gov
Cc: governor@alaska.gov
Subject: SB 207, 208, 209

Dear Members of the Senate Finance Committee,

I am writing to respectfully urge you to remove SB 207, SB 208, and SB 209 from your consideration. The future of our beloved state depends on how well we educate our children, and the short-sighted and unfair changes made in these bills will undercut our ability as a state to educate our children well.

* Shifting state pension obligations to the local level, as SB 207 and 209 would do, without a concurrent guarantee of funds to cover that new cost is unfair, poor public policy, and constitutionally problematic. The result would be tens of millions of dollars in new costs for localities and school districts that have less ability to cover these costs than the state does. Imposing new costs on school districts is no different from cutting education funds; either way, the districts will have to cover the gap by eliminating teachers, increasing class sizes, cutting programs that keep students engaged in school, and so on.

* Eliminating a scholarship fund, as SB 208 does, that has helped thousands of students pay for college -- including many who otherwise would not be able to afford it -- is simply shortsighted and mean-spirited. Why would we make it harder for kids to go to college when we have other ways to address our state budget gap?

The majority of Alaskans -- at least 60% -- want you to solve the budget problem through a variety of measures, including modest cuts, new broad-based taxes, and some sort of use of the Permanent Fund. Expert after expert has publicly stated that the solution must be broad-based and it must happen this year. The constituents who want you to rely on cuts and savings alone are a minority of Alaskans, and they are not listening to the economists and other experts who have studied this problem the most.

Cuts like the ones proposed in SB 207, 208, and 209 will drive young people, families and skilled professionals out of the state -- just the people we need to build a strong future for Alaska. And these cuts aren't necessary, we have other choices. Please drop your consideration of these bills and others that take the state down a path of deep cuts and economic instability. Instead, take advantage of the many potential sources of new revenues -- the kinds that most other states rely on -- to stabilize Alaska's budget.

Thank you for your consideration of my views, and please include my comments in the public record for these bills.

Sincerely,

Rebecca Bernard
1210 N Street
Anchorage, AK 99501

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Wednesday, March 30, 2016 9:23 AM
To: Senate Finance Committee
Subject: FW: Alaska Performance Scholarship

From: Michael Kief [mailto:ckiefm@hotmail.com]
Sent: Wednesday, March 30, 2016 5:37 AM
To: Sen. Kevin Meyer <Sen.Kevin.Meyer@akleg.gov>; Sen. John Coghill <Sen.John.Coghill@akleg.gov>; Sen. Berta Gardner <Sen.Berta.Gardner@akleg.gov>; Senator.Cathy.Giesel@akleg.gov; Sen. Mia Costello <Sen.Mia.Costello@akleg.gov>; Sen. Bill Wielechowski <Sen.Bill.Wielechowski@akleg.gov>; Sen. Lesil McGuire <Sen.Lesil.McGuire@akleg.gov>; Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>; Sen. Johnny Ellis <Sen.Johnny.Ellis@akleg.gov>
Subject: Alaska Performance Scholarship

Elected Officials,

I realize Alaska is facing significant budget issues due to the plummeting price of oil. So what did our elected officials do with all of the revenue when the state had a grand surplus?

Governor Parnell's Alaska Performance Scholarship was a great gesture by the state to educate Alaskas' youth and limit brain drain from our state. If our elected officials feel the need to take away a program that thousands of young Alaskan High School students have worked so hard to earn away from them with little to no warning, then all of you should schedule meetings with the high schools in your representative areas and explain your decision directly to the students that have strived to earn that scholarship. Education is an essential element needed to help create a new Alaska economy outside of the struggling oil industry. Do not send a personal assistant or press agent, but you need to state your case to the next generation of potential Alaska Voters. I already know who I will not be voting for if this program is cancelled. I will do my best to ensure that any and all legislators that supported this bill do not get re-elected office. Education is our nations most precious resource and you choose to cast the next generation to the curb.

Do you realize that there are current, freshman, sophomore and junior students that have tracked there class selections based on the Alaska Performance Scholarship pre-requisites? If the state needs to save money on educational expenses, then eliminated cosmetic/aesthetic expenses. Architecturally pleasing sculptures, and pretty buildings do not educate our youth. Highly qualified, motivated teachers with access to educational tools educate our youth. This bill initiative does nothing but dampen the educational spirit of Alaska's Youth. Why should they work hard to achieve something if the prize they are striving for is going to be ripped away just as they nearly have it in their grasp?

Disgusted,

Michael Kief

Michael Kief
16220 Diane Drive
Anchorage, AK 99516
907-242-0103

ckiefm@Hotmail.com

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Wednesday, March 30, 2016 9:26 AM
To: Senate Finance Committee
Subject: FW: Testimony on Senate Bill 208

From: Hayleigh Stephens [mailto:hayleighdaniellestephens@gmail.com]
Sent: Tuesday, March 29, 2016 12:36 PM
To: Sen. Pete Kelly <Sen.Pete.Kelly@akleg.gov>; Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>
Subject: Testimony on Senate Bill 208

Hello Senators Pete & Anna,

My name is Hayleigh Stephens and I'd like to submit a written testimony on Senate Bill 208, which would eliminate the Alaska Performance Scholarship. However, I have class and cannot make it in person to testify at the Anchorage LIO, so I'm writing you instead.

While I understand and am sympathetic to the need to create savings within the state in this time of economic hardship, I firmly believe that limiting the opportunity of Alaska's youth is not the way to do this and the removal of the APS would indeed be severely limiting to the opportunities that Alaska's graduating high schooler seniors receive. APS is a scholarship that students must earn through high GPAs, a more difficult curriculum, and commendable SAT/ACT scores. This means that if APS goes away we are potentially preventing hard working, motivated, students from attending the UA system. This is a potential loss for both the students and the University of Alaska System. I know this to be true because I am one of those students, so let me share with you my story.

I am a first generation college student who grew up moving from place to place because my parents would frequently switch jobs. My parents were encouraging and always pushed me to be my best, however our house always faced financial troubles due to the poor decisions of my parents past.

I always loved school and learning and I always knew I wanted to go to college. In middle school I joined the National Junior Honor Society and got an award for 3 years of consecutive honor roll. In high school my success and involvement continued I joined Student Government, I was active in Prom Committee, I was accepted into the National Honor Society, and I graduated as Valedictorian with a 4.0 GPA. My hard work in school had paid off with good SAT scores and I became a recipient of the UA Scholars scholarship and Level 1 of the Alaska Performance Scholarship.

My parents although loving and supportive emotionally, could not afford to help pay for college and certainly not the the college experience I wanted of living on campus at UAA, however this was possible for me with the APS and it has made all the difference. Once I got to UAA I got involved on campus. I became a Resident Advisor in the Residence Halls, I served on the Executive Board for the residential student governing body (Residence Hall Association) first as a Public Relations Coordinator and then as President, I joined campus clubs, and I excelled in my courses. I'm now in my final semester at UAA, and learned yesterday that I have been awarded Leadership Honors from UAA. An honor granted after careful review of an application, leadership narrative essay, and reference letters. This achievement means that not only did I excel and get involved at UAA, but that my leadership made meaningful impact on the UA community.

You see, without the APS I would not have gone to UAA and not only would I have lost the opportunity to get an education and better myself as a person, but UAA also would have lost a student leader; someone who cares passionately about the UA community and the future of the university and its students, someone who truly made a difference in their time at UAA. Not only am I leaving the university having bettered myself, but I also am leaving having bettered the university.

The UA system and the state of Alaska NEEDS these sort of leaders, most especially in hard times, to help better the university system and the state. Removing the APS disadvantages the students and the system. Without the APS students like me may not have the opportunity to go to college, the opportunity to excel, or the opportunity to make positive change in our UA community.

I sincerely hope this is strongly considered when considering removing the APS. I beg you please do not take away opportunity from Alaska's high-achieving youth, they need this opportunity and we as a state need the leaders these students will become through the opportunity provided by the APS.

Best wishes,
Hayleigh Stephens

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Wednesday, March 30, 2016 9:29 AM
To: Senate Finance Committee
Subject: FW: Please oppose SB 207 and SB 208

From: travisrector . [mailto:travisrector@gmail.com]
Sent: Wednesday, March 30, 2016 9:26 AM
To: Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>
Subject: Please oppose SB 207 and SB 208

Senator MacKinnon-

I am writing to urge you to not vote for SB 207 and SB 208. Both of these bills will affect the education of young Alaskans. It is unethical to ask our children to pay for the poor fiscal planning in our state.

Regards,

Travis Rector

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Wednesday, March 30, 2016 9:32 AM
To: Senate Finance Committee
Subject: FW: SB 208

From: Paul Story [mailto:PStory@KPBSD.k12.ak.us]
Sent: Tuesday, March 29, 2016 9:19 PM
To: Sen. Pete Kelly <Sen.Pete.Kelly@akleg.gov>; Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>; Sen. Peter Micciche <Sen.Peter.Micciche@akleg.gov>; Sen. Click Bishop <Sen.Click.Bishop@akleg.gov>; Sen. Mike Dunleavy <Sen.Mike.Dunleavy@akleg.gov>; Sen. Donny Olson <Sen.Donny.Olson@akleg.gov>; Sen. Lyman Hoffman <Sen.Lyman.Hoffman@akleg.gov>
Subject: SB 208

Senate Finance Committee,

I am writing you to urge particular caution when considering SB 208 and the elimination of the Alaska Performance Scholarship. I am sure you have read the ACPE's outcome report, which does a nice job outlining some of the benefits of the APS since its inception.

I would like to echo those supportive sentiments and offer you a few other considerations. I understand the terrible financial situation facing our state and the extremely difficult task you face as elected officials trying to come to a balanced budget. However, programs like the APS which aim to retain more of the brightest Alaskan high school graduates to stay in-state and to ultimately contribute to our communities and to our economy are perhaps more important than their line-item budget amount would suggest.

I have had the pleasure to work as a high school counselor in Alaska for 11 years. I have witnessed a marked increase in students wanting to remain in-state for post-secondary education since the advent of the APS. With the exponentially increasing cost of universities and trade schools, it has become more and more attractive for our highest-achieving and most motivated students to consider Alaskan options after high school. And of course, those that stay in-state for their education naturally feed Alaska's employment pipeline upon conferment of their degrees or certificates. The opposite is also true. When a brain drain occurs and more of Alaska's most talented young people pursue post-secondary education Outside, they are that much less likely to return home upon completion of their schooling. Rather, they will be more likely to parlay the internships and school-community ties they've made in college into initial job offers in Washington state or California or Montana, etc., etc., and be less likely to return to Alaska as full-time residents and active participants and drivers of a vibrant economy.

I have never advocated that the APS be an entitlement for Alaskan high school graduates. It is a scholarship that should be *earned*. Those that do earn it and take it advantage of it are likely to stay and to help advance the future of our state. I see it as a completely worthwhile investment and its elimination as short-sighted.

Sincerely,

Paul Story

235-4685

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Wednesday, March 30, 2016 9:33 AM
To: Senate Finance Committee
Subject: FW: School budget

-----Original Message-----

From: John Meyn [mailto:jcmeyn47@gmail.com]
Sent: Tuesday, March 29, 2016 8:52 PM
To: Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>
Subject: School budget

We need to stop SB207 SB208 they're just cutting money from our kids education.

Sent from my iPhone

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Wednesday, March 30, 2016 9:34 AM
To: Senate Finance Committee
Subject: FW: SB207 and SB208

From: Jody Stahl [mailto:jstahlcounselor@yahoo.com]

Sent: Tuesday, March 29, 2016 8:34 PM

To: Sen. Pete Kelly <Sen.Pete.Kelly@akleg.gov>; Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>; Sen. Lyman Hoffman <Sen.Lyman.Hoffman@akleg.gov>; Sen. Mike Dunleavy <Sen.Mike.Dunleavy@akleg.gov>; Sen. Click Bishop <Sen.Click.Bishop@akleg.gov>; Sen. Donny Olson <Sen.Donny.Olson@akleg.gov>; governor@alaska.gov

Subject: SB207 and SB208

Dear Senators and Governor Walker,

I am writing as a concerned Alaskan citizen regarding Senate Bill 207 and Senate Bill 208. While I realize the budget issues the state of Alaska is facing right now I strongly oppose using education as a way to balance that budget.

If SB207 should pass it would put undo burden on school districts already struggling with budgets. Research shows time and again that education is the way to a healthy future for all, including beginning in preschool. As for SB208, I have had three children graduate from Alaska schools. One has gone on to become a Ph.D in chemistry, another has chosen a mechanical engineering degree, and the third graduated last year and is presently in college. I cannot tell you how many families and students I spoke with last year, when my daughter was graduating who took advantage of the Ak scholarship program. Some of those students may not have gone to college, or had the motivation to get the grades they did were it not for that program. The scholarship program has helped to boost our graduation rates. Having a viable university system within the state, especially in the city of Anchorage, is so important to attracting and keeping our youth making our state great. I can personally testify to the expense of sending your child out of state for college. It is HUGELY expensive. There are other options for balancing the budget, which have been suggested by many who have researched the subject. We can impose a tax, as well as use some of the permanent dividend money. We could also demand that oil companies help out. If you will not change the oil tax agreement so that we are receiving nothing, they are taking all, then we as Alaskans will need to start paying for services so that we can insure a decent education for our children.

Thank you for you time.

Jody Stahl

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Wednesday, March 30, 2016 9:35 AM
To: Senate Finance Committee
Subject: FW: Eliminating AK Performance Scholarship program

-----Original Message-----

From: Jennifer Krieter [mailto:jkrieter@gci.net]
Sent: Tuesday, March 29, 2016 8:16 PM
To: Sen. Pete Kelly <Sen.Pete.Kelly@akleg.gov>
Cc: Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>
Subject: Eliminating AK Performance Scholarship program

Hello. I read in the Alaska Dispatch News that you are proposing a bill to eliminate the Alaska Performance Scholarship program. I see where it would be phased out by 2022 and that if passed students would not be able to apply after July 15th. I wanted to let you know that our family is depending on that program for our son, who graduates next year in 2017. We own a small business and last year when I was diagnosed with breast cancer we incurred a large amount of medical bills that ate away at our savings for his college. My son has been working hard to maintain the best grades he can so that he can qualify for this program and graduate in the top 10% of his class. Please consider amending this proposal to at least include this year's Juniors/11th graders as they have already decided by this age where they are wanting to go to college. I hate to use the word "fair" because I get that life is not always fair, BUT this program has been promoted to us each year of high school and now is being ripped out from under us. I don't think this was taken in consideration and I'm hoping that you will change the cut off date.

Thank you,
Jennifer Krieter
1436 Annapolis Drive
Anchorage, AK
274-8038

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Wednesday, March 30, 2016 9:43 AM
To: Senate Finance Committee
Subject: FW: Protect our Students; Save the Alaska Performance Scholarship
Attachments: SB-208 AK Performance Scholarship.pdf

From: Michael Bekeris [mailto:mishab13@gmail.com]

Sent: Tuesday, March 29, 2016 7:05 PM

To: Sen. Click Bishop <Sen.Click.Bishop@akleg.gov>; Sen. John Coghill <Sen.John.Coghill@akleg.gov>; Sen. Mia Costello <Sen.Mia.Costello@akleg.gov>; Sen. Mike Dunleavy <Sen.Mike.Dunleavy@akleg.gov>; Sen. Dennis Egan <Sen.Dennis.Egan@akleg.gov>; Sen. Johnny Ellis <Sen.Johnny.Ellis@akleg.gov>; Sen. Berta Gardner <Sen.Berta.Gardner@akleg.gov>; Sen. Cathy Giessel <Sen.Cathy.Giessel@akleg.gov>; Sen. Lyman Hoffman <Sen.Lyman.Hoffman@akleg.gov>; Sen. Charlie Huggins <Sen.Charlie.Huggins@akleg.gov>; Sen. Pete Kelly <Sen.Pete.Kelly@akleg.gov>; Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>; Sen. Lesil McGuire <Sen.Lesil.McGuire@akleg.gov>; Sen. Kevin Meyer <Sen.Kevin.Meyer@akleg.gov>; Sen. Peter Micciche <Sen.Peter.Micciche@akleg.gov>; Sen. Donny Olson <Sen.Donny.Olson@akleg.gov>; Sen. Bert Stedman <Sen.Bert.Stedman@akleg.gov>; Sen. Gary Stevens <Sen.Gary.Stevens@akleg.gov>; Sen. Bill Stoltze <Sen.Bill.Stoltze@akleg.gov>; Sen. Bill Wielechowski <Sen.Bill.Wielechowski@akleg.gov>

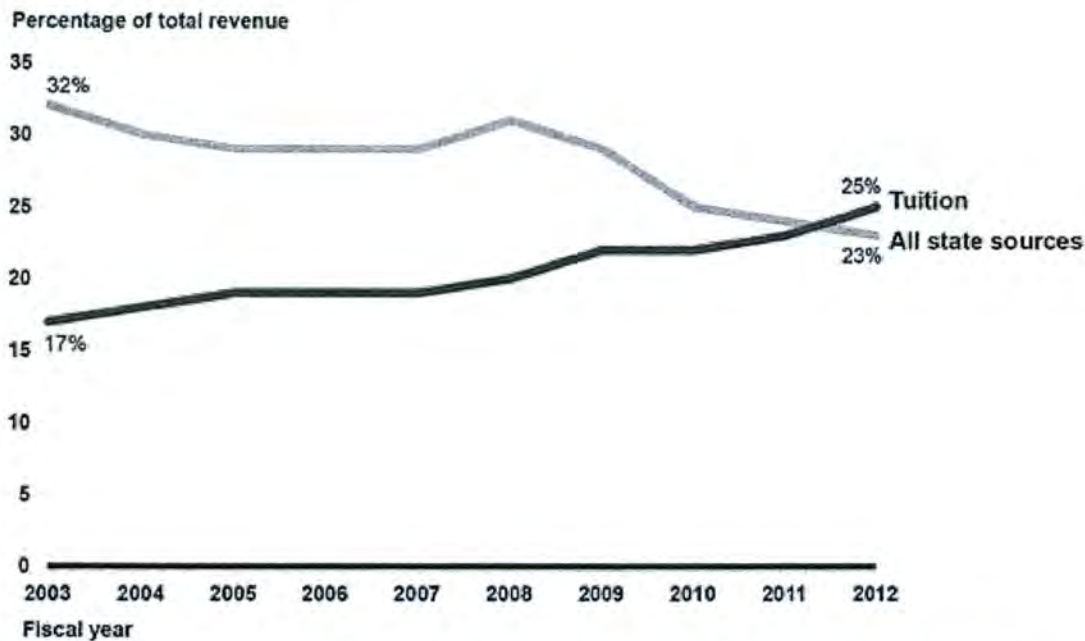
Subject: Fwd: Protect our Students; Save the Alaska Performance Scholarship

Dear Alaska State Senators,

My name is Michael Bekeris and I am the Student-Body President of the Sitka High School Student Council. As a representative of the students of Sitka High School, I am contacting you today with urgent concern of Senate Bill 208, which is specifically titled "An Act eliminating the Alaska education grant program and the Alaska performance scholarship program." For your own convenience, I have attached a copy of the bill in this email. Also, I tend to assume that everyone understands what this scholarship entails, but if you need more information you can visit the link here: [APS](#).

Although I recognize that not every student that graduates from an Alaskan high school attends an Alaskan college, a vast majority of students do move on to further their education and careers in Alaska. However, with less funding from both federal and state sources, colleges across the nation have become much more reliant on student tuition. For example, see the graph I included below:

Public College Revenue from State Sources and Tuition, Fiscal Years 2003 through 2012



Source: GAO analysis of Integrated Postsecondary Education Data System (IPEDS) Finance component data. | GAO-15-151

In fact, just a few months ago, the University of Alaska Board of Regents approved a 5% tuition increase for all UA schools (see this link for more information: [Alaska Dispatch News - UA Tuition Hike](#)). Because of the increasing costs of college, scholarships have become mandatory for students that wish to graduate from college with minimal student debt. This scholarship was initially created as an incentive for students to pursue an education and career in Alaska, and removing this scholarship would be counterproductive to our economy as less students would be incentivized to remain in Alaska, causing Alaska to have less taxpayers, employees, and less State revenue.

While you may view the Alaska Performance Scholarship as \$460 million dollars that may temporarily relieve a portion of our current deficit, I see a bridge that allows Alaskan students to pursue a higher education. Like many other students at Sitka High School, I remember visiting the counseling office numerous times throughout my Junior and Senior year just so I could ensure that I was taking all of the courses required to receive the Alaska Performance Scholarship. Just like me, a vast majority of the students at Sitka High School base their entire school curriculum around obtaining the Alaska Performance Scholarship, and to remove this opportunity - this bridge - would be cruel.

Please do not let our current budget crisis put student achievement at risk; using this scholarship is a non-renewable solution to a renewable problem. So, I please ask of you, keep the Alaska Performance Scholarship so that future students - my friends and my peers - will have the support needed to further their education and be successful in Alaska.

If you have any questions or comments, please do not hesitate to contact me via the phone number and email provided below! I understand that this is a lengthy email, but I appreciate the time you have taken to read this.

With Genuine Hope,
 Michael Bekeris
mishab13@gmail.com
 (208)215-8204

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Wednesday, March 30, 2016 10:06 AM
To: Senate Finance Committee
Subject: FW: SB207 and SB208

-----Original Message-----

From: Cindy Lelake [mailto:lelakecindy60@gmail.com]
Sent: Wednesday, March 30, 2016 9:44 AM
To: Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>
Subject: SB207 and SB208

Dear Senator:

Both SB207 and SB208 will seriously impact education in Alaska.

By passing a higher percentage of teacher pension contributions on to local school districts, SB207 will cut directly into classroom budgets. To attempt to partially pay for this measure by eliminating the Performance Scholarship deprives many deserving Alaskan students of the chance to attend college.

Both measures are spurious attempts to generate revenue. Several other revenue-generating options worthy of your consideration have already been proposed and deserve your immediate attention.

Please don't attempt to balance Alaska's budget on the backs of our students!

Sincerely,

Cindy Lelake

Sent from my iPad

Sent from my iPad

Doniece Gott

From: Cathy Porter <ckporter@mtaonline.net>
Sent: Wednesday, March 30, 2016 10:07 AM
To: Senate Finance Committee
Subject: Re: PFD

I protest any and all "raiding" of the Alaska PERMANENT dividend fund!
If you "law makers" cannot balance a budget, then it's YOUR fault! NO!
And say NO to all special interest groups who "dip into" the budget!
You "law makers" can take a huge pay deduction for starters!

Thank you,
Catherin L Porter
Wasilla, AK

This email has been checked for viruses by Avast antivirus software.
<https://www.avast.com/antivirus>

Doniece Gott

From: Sen. Anna MacKinnon
Sent: Wednesday, March 30, 2016 9:34 AM
To: Senate Finance Committee
Subject: FW: SB 207 and SB 208

From: Megan Richotte [mailto:meganrichotte@gmail.com]
Sent: Tuesday, March 29, 2016 8:44 PM
To: Sen. Pete Kelly <Sen.Pete.Kelly@akleg.gov>; Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>; Sen. Lyman Hoffman <Sen.Lyman.Hoffman@akleg.gov>; sen.pete.micciche@akleg.gov; Sen. Mike Dunleavy <Sen.Mike.Dunleavy@akleg.gov>; Sen. Click Bishop <Sen.Click.Bishop@akleg.gov>; Sen. Donny Olson <Sen.Donny.Olson@akleg.gov>; governor@alaska.gov
Subject: SB 207 and SB 208

Dear Senate Finance Committee,

One of my biggest concerns as I watch what appears to be the legislature failing to make meaningful change to protect the future of Alaska through new revenue and future planning is ensuring we protect our children's future through high quality public schools and safety nets for children.

SB 207 would effectively cut about 200 teachers from the Anchorage School District alone by transferring unfunded costs to the school district for teacher retirements. I have watched year after year of cuts to our children's schools. This is completely unacceptable and backwards thinking.

This legislature needs to get real and figure out effective ways to fund essential state services. I put schools at the very top of that list.

I also support the Performance Scholarship Fund. While I have never personally benefited from this I have seen many talented young Alaskan chose to stay in state for college because of it. Alaska will be the long-term beneficiary from this proven tool that prevents brain drain and supports high performing Alaskan youth.

My own kids are elementary school age students in the ASD. Even in the time they have been in school I have seen real degradation to the quality of education offered. Their class sizes have been rising. One of my daughter's art teachers has well over 800 students! That is just crazy. Degrading the ability of our schools to support, foster, and educate young children is a horrible way to move forward.

Please don't do this.

Megan Richotte
Turnagain Neighborhood
Anchorage

**Remarks of Norm Wooten
Executive Director, AASB
Senate Finance Committee
April 7, 2016**

Thank you, Madame Chair. For the record I am Norm Wooten, executive director of the Association of Alaska School Boards. Our member school districts will be testifying to the expected impacts of Senate Bill 207 on their schools and students. I would like to address the overall impacts of this legislation on Alaska's K-12 education system.

First, let me say that the education community has been firmly in favor of the Alaska Legislature adopting a long-range fiscal plan to address the major revenue problems of state government. But never did we imagine that any bill would get serious consideration if it proposed – like SB 207 – to transfer more than \$2 billion dollars from K-12 schools operations to the Teachers Retirement System. And not until today were we asked for our input on how this would affect operations of Alaska's 500 public schools.

The actuarial report from Buck Consultants dated April 3rd calculates that if SB 207 is enacted, it will mean the diversion of \$2.1 billion over the next 23 years from school districts to the T.R.S. Where will this money come from? School districts do not have taxing authority and local governments do not own oil wells. So, the \$2.1 billion will have to come from local taxpayers and/or our children's classrooms. That is neither wise nor fair, in my opinion.

SB 207 is unwise because it borrows from our future – the education of the next generation of Alaskans. And it's unfair because the unfunded liability of T.R.S. was created by actions at the state and national level, not local school districts.

Passage of SB 207 could have many unintended consequences, among them the layoff of teachers and the removal of other caring adults from the lives of our

children. Many schools districts already have difficulty in recruiting teachers. The average salary of teachers statewide dropped 1.9 percent this year, according to our surveys, probably because of retired teachers being replaced by new ones.

School boards have been wrestling with tight budgets for most of a decade, but passage of SB 207 will make that deficit a permanent fixture for K-12 education for the next two decades. I urge you to put this bill aside.



Board of Regents Public Testimony in Opposition of SB 208

April 7th, 2016

Arina Filippenko. *UAA Student*

President Johnsen and Board of Regents,

The Alaska Performance Scholarship and Alaska Education Grant are vital pieces of ensuring student success at the University of Alaska. I am a representative of UAA, as the Government Relations Officer of USUAA. While gathering student input, every single one of the APS recipients that I have spoken to indicated that the APS was the single most important factor in them deciding to attend school in the UA system. The APS allows for the brightest and most dedicated students to stay in state. In fact, without the scholarship, many would be forced to go out of state to pursue an education and spend money elsewhere. My story, however, is a little bit different.

I went to high school at West, and took rigorous classes all-throughout. I was the typical college-bound kid and qualified for Level 1 of the APS. However, I came from a low-income household and paying for school out of pocket was a struggle. The APS and Alaska Education Grant have provided me a unique opportunity to attend school close to home. Without the scholarship, it is not that I would have gone out of state; I would not have gone to college at all.

I am incredibly thankful that the Alaska Performance Scholarship and Alaska Education Grant exist and that I now can attend the University of Alaska Anchorage. The opportunities that I have been given as a result of the scholarships are incredible, as I am able to not only get an education but also be involved in my community and campus with activities such as debate and student government.



Thank you for your continued support of students and keeping these scholarships alive. Please, think of students like me who would not have had opportunities otherwise to attend college when you speak with the legislature and continue to oppose SB208.

Thank you for your time in letting me testify.

Best regards,

Arina Filippenko

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Thank you Chair's MacKinnon and Kelly and members of the Senate Finance Committee for your service to the state and for the opportunity to testify this evening.

For the record, my name is Saichi Oba; I am the Associate Vice President for Student and Enrollment Strategy at the University of Alaska, System office.

The University of Alaska ***strongly supports the continuation*** of the Alaska Performance Scholarship and the Alaska Education Grant.

Early in the discussions that led to the APS the University believed that the scholarship would prove decisive in at least two ways: 1) incentivizing better post-secondary preparedness and 2) in helping the university retain Alaskan students.

It has done this and more.

The Alaska Performance Scholarship has encouraged high school students in the state to take rigorous coursework resulting in the need for less remediation at the University of Alaska.

APS recipients take fewer remedial courses than non-recipients. Only one in five APS recipients took any remedial courses, but over one-half of non-recipients required remediation.

In general, studies indicate that financial aid and a student's high school academic experience are factors that increase the persistence for university students. The APS helps with both of these factors.

APS recipients stay in school. By fall 2015, the 2011 APS recipients were nearly twice as likely to continue their attendance - 46% versus non-recipients' 24% persistence rates. Related to persistence is the fact that APS students at UA on average earn more credits in 4 years than non-APS students. (106, 88, 82 credits for APS vs. 67 for non-APS).

Losing the APS sets back post-secondary attendance not just at UA - but also in the state at large.

APS-eligible graduates are Alaska's brightest students. They are more likely to pursue postsecondary education and more likely to do so in Alaska. The opposite is true for ineligible graduates - their rates of attending anywhere are much lower and have declined over the same period.

To this I would add - the greatest competition UA faces is not from other colleges or universities, but rather from Alaskans choosing not to go on to any postsecondary program. The loss of APS and AEG will only exacerbate this tendency, and the associated impacts on the quality of Alaska's skilled workforce.

Let me now turn to the Alaska Education Grant.

Alaska is lowest in the nation (ranked 51st for the last *decade*) in the proportion of low-income high school graduates who go to college, either in Alaska or outside. The AEG was one of the only tools helping the state claw it's way out of that position.

The Alaska Education Grant (AEG) is the only state provided post-secondary financial aid available to low-income Alaskan students. If ended, Alaska would be one of only two states in the nation not providing its low-income residents tuition assistance. AEG is generationally changing the path of low-income Alaska residents. The Alaska Education Grant (AEG) is one of the largest non-loan sources of financial aid available to low-income students (\$4.8m received by approximately 2,400 UA students), second in size only to the federal Pell Grant program (\$23.8m received by nearly 7,200 UA students) in 2014-15.

While post-secondary enrollment is abysmal for low income Alaskans it's not much better overall. Consider the path of 100 Alaskan 9th graders over the next 10 years:

- ***29 will not graduate from high school***
- ***40 will not go to college***
- ***15 will go to college outside***
- ***15 will go to the UA system. Of those ONLY 5 will graduate with a BS or higher within 6 years.***

The Alaska Performance Scholarship may have been designed to incentivize academic performance in secondary schools, but it was actually shaping Alaska's future by setting in motion a cascade of positive events that go something like this:

- ***Better prepared graduates from high school leads to***
- ***Attendance and success in a post-secondary program in the state which leads to***
- ***Working in the state***
- ***This in turn helps the state meet its future work force and economic challenges***

This is the Alaska that APS is shaping. This is the future we must commit to.

Let me close by suggesting that if the Alaska Performance Scholarship is to be eliminated, you consider postponing initiating phase out until the graduating class of 2018. From what we know students in that class and the preceding class were aware of the state's commitment through APS and made their own commitment when they entered high school to take the courses needed to earn the APS. They should be rewarded for that commitment.

Thank you.