

ALASKA LEGISLATURE COMMITTEE FILES 1995-1996 8672

8695 HOUSE LABOR & COMMERCE

ACFF Loan Recipient Majors by Major

MAJOR AREA OF STUDY	CODE	NUMBER OF LOAN RECIPIENTS	AVG YRS OF POSTSEC. ED.	AVG AMOUNT BORROWED	AVG AK WAGES 1994	PERCENT IN DEFAULT	PERCENT W/AK WAGES 1994	PERCENT W/O '94 AK WAGES & W/BUS OR OCC LICENSE	PERCENT W/UI CLAIMS 1994	AVG AMOUNT BORROWED BY DEFAULTERS	AVG AK WAGES 2 YR AFTER LAST LOAN	PERCENT W/AK WAGES 2 YR AFTER LAST LOAN
Cosmetology	COS	280	0.83	\$5,729	\$9,903	42.9%	52.5%	11.4%	6.8%	\$5,419	\$8,118	55.0%
Dentistry	DENT	86	3.09	\$16,573	\$24,765	15.1%	51.2%	12.8%	7.0%	\$13,445	\$19,927	33.7%
Drafting/CAD/CAM	DRFT	184	0.42	\$6,883	\$22,997	25.0%	64.7%	1.1%	15.2%	\$6,031	\$23,838	41.8%
Economics	ECO	142	3.15	\$15,863	\$28,360	14.1%	40.8%	2.1%	3.5%	\$14,365	\$22,461	41.5%
Education Administration	EDA	38	5.24	\$7,870	\$45,530	7.9%	78.9%	5.3%	7.9%	\$4,239	\$43,183	47.4%
Education, Specific Subject	EDSB	81	3.64	\$8,335	\$25,308	14.8%	76.5%	0.0%	2.5%	\$5,682	\$27,559	40.7%
Electric Repair	ELCT	414	1.34	\$7,997	\$25,269	28.3%	60.6%	2.2%	13.8%	\$6,789	\$21,814	59.2%
Electrical Engineering	ELEC	164	1.36	\$7,014	\$16,956	28.7%	64.6%	1.8%	14.0%	\$6,271	\$17,728	26.8%
Elementary/Secondary Education	ELED	1,788	2.85	\$10,922	\$19,935	15.8%	71.3%	0.7%	6.4%	\$10,116	\$18,825	54.9%
Engineering, Other	EOTH	869	2.14	\$13,523	\$32,075	15.8%	50.9%	1.4%	6.2%	\$9,766	\$26,905	48.1%
Environmental Technology	ENVT	52	2.35	\$9,185	\$25,317	30.8%	48.1%	1.9%	5.8%	\$6,552	\$18,070	38.5%
Fashion	FASH	75	1.47	\$8,160	\$12,909	30.7%	40.0%	0.0%	9.3%	\$6,987	\$13,090	41.3%
Finance	FINC	124	3.14	\$14,394	\$25,457	12.9%	56.5%	1.6%	5.6%	\$15,550	\$22,263	50.0%
Fire Science	FIRE	65	1.49	\$7,235	\$23,023	26.2%	49.2%	0.0%	6.2%	\$5,459	\$18,446	44.6%
Food Technology	FOO	196	1.12	\$6,427	\$13,958	37.2%	56.1%	0.0%	17.9%	\$5,566	\$13,815	51.0%
Forestry	FRST	66	1.40	\$6,249	\$15,765	25.8%	54.5%	0.0%	18.2%	\$5,731	\$13,250	50.0%
Geography/History	GEHI	183	3.09	\$14,252	\$19,760	12.0%	55.7%	0.5%	7.1%	\$15,054	\$16,953	49.7%
Geology	GEO-	66	3.12	\$12,316	\$18,181	18.2%	56.1%	0.0%	7.6%	\$9,657	\$18,890	36.4%
Government/Political Science	GOV	270	2.58	\$14,770	\$23,414	14.4%	45.6%	0.7%	2.6%	\$13,509	\$19,760	41.5%
Hairdressing	HAIR	413	0.68	\$4,998	\$9,397	43.3%	52.3%	16.7%	5.8%	\$4,859	\$9,447	40.0%
Health Science, Other	HOT	585	2.20	\$10,075	\$21,999	22.7%	52.8%	3.8%	6.8%	\$7,241	\$21,529	44.4%
Heavy Equipment Operation	HVY	183	0.70	\$5,347	\$16,888	37.2%	73.2%	1.6%	24.0%	\$4,678	\$18,161	50.3%

ACPE Loan Recipient Majors by Major

MAJOR AREA OF STUDY	CODE	NUMBER OF LOAN RECIPIENTS	AVG YRS OF POSTSEC. ED.	AVG AMOUNT BORROWED	AVG AK WAGES 1994	PERCENT IN DEFAULT	PERCENT W/AK WAGES 1994	PERCENT W/O '94 AK WAGES & W/BUS OR OCC LICENSE	PERCENT W/UI CLAIMS 1994	AVG AMOUNT BORROWED BY DEFAULTERS	AVG AK WAGES 2 YR AFTER LAST LOAN	PERCENT W/AK WAGES 2 YR AFTER LAST LOAN
Heavy Equipment Repair	HVY	27	1.07	\$4,063	\$15,933	40.7%	74.1%	0.0%	7.4%	\$4,177	\$15,883	25.9%
Hotel/Restaurant Mgmt.	HOTL	89	2.11	\$10,246	\$13,805	24.7%	49.4%	0.0%	9.0%	\$9,505	\$12,120	43.8%
Institutional Management	INST	28	1.86	\$9,748	\$25,743	10.7%	50.0%	7.1%	0.0%	\$13,349	\$24,330	60.7%
International Relations	INTL	37	3.12	\$12,779	\$15,694	13.5%	45.9%	0.0%	2.7%	\$14,476	\$11,540	35.1%
Journalism	JOUR	313	2.37	\$11,430	\$18,496	18.5%	52.1%	1.3%	6.1%	\$10,131	\$15,558	49.2%
Labor Relations	LABR	39	1.77	\$12,115	\$34,081	25.6%	41.0%	0.0%	12.8%	\$4,434	\$25,899	53.8%
Languages, Foreign	LANG	113	2.78	\$14,845	\$19,847	5.3%	44.2%	0.0%	6.2%	\$15,563	\$18,641	39.8%
Law	LAW-	414	3.99	\$17,001	\$26,074	21.0%	48.3%	3.6%	6.0%	\$11,353	\$23,231	42.8%
Liberal Arts, English	LART	592	2.58	\$12,543	\$15,978	18.1%	54.9%	0.7%	5.6%	\$11,805	\$14,424	49.3%
Marine Maintenance	MARI	79	1.57	\$8,441	\$21,297	17.7%	58.2%	2.5%	16.5%	\$5,010	\$18,648	53.2%
Marketing	MAR	111	3.09	\$12,125	\$21,069	18.0%	47.7%	0.0%	5.4%	\$12,278	\$17,388	39.6%
Mathematics	MAT	162	2.52	\$13,542	\$20,219	20.4%	58.6%	0.6%	8.0%	\$10,099	\$18,463	51.2%
Mechanical Engineering	EME	54	2.73	\$8,742	\$16,160	9.3%	53.7%	0.0%	5.6%	\$4,902	\$13,625	33.3%
Mechanics/Precision Production	OCM	281	1.22	\$6,217	\$21,663	38.1%	61.6%	1.4%	16.4%	\$5,984	\$19,727	57.7%
Medical/Dental Support	MDA	91	0.21	\$5,189	\$13,636	26.4%	51.6%	1.1%	7.7%	\$4,204	\$17,242	23.1%
Medicine	MED-	105	2.78	\$13,912	\$16,516	18.1%	40.0%	1.9%	5.7%	\$13,541	\$12,533	37.1%
Mining/Petroleum Technology	MPT	55	1.54	\$8,923	\$34,269	25.5%	78.2%	7.3%	20.0%	\$5,805	\$30,211	70.9%
Music/Dance	MUSI	239	2.15	\$11,823	\$15,440	22.6%	48.5%	1.3%	6.7%	\$7,732	\$13,609	44.4%
Nursing	NUR	653	2.11	\$9,203	\$22,609	18.1%	57.7%	5.1%	6.1%	\$7,994	\$23,203	44.3%
Nutrition	NUTR	22	2.23	\$14,887	\$13,365	4.5%	31.8%	0.0%	0.0%	\$4,563	\$12,225	27.3%
Office/Personnel Supervision	OFIC	70	0.39	\$5,048	\$13,640	25.7%	70.0%	0.0%	12.9%	\$4,099	\$15,778	24.3%
Other	OTH	1,674	1.36	\$8,513	\$18,357	20.9%	62.0%	1.3%	9.1%	\$6,701	\$16,013	46.4%

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Other Business Mgmt.	OBM-	2,127	1.97	\$10,263	\$22,859	23.0%	55.6%	0.8%	7.8%	\$8,450	\$19,292	56.6%
Other Business Support	OBS-	58	0.64	\$4,042	\$10,752	27.6%	69.0%	0.0%	12.1%	\$4,052	\$12,852	32.8%
Other Communications	OCC	298	2.33	\$12,037	\$21,060	18.8%	50.7%	0.3%	4.4%	\$10,736	\$16,407	48.0%
Other Education	OEE	837	2.92	\$11,447	\$25,791	17.7%	65.6%	1.0%	6.0%	\$11,648	\$22,333	63.8%
Other Letters/General Studies	OLGS	61	3.28	\$11,763	\$25,762	16.4%	54.1%	0.0%	6.6%	\$7,840	\$23,885	47.5%
Other Marketing Distrib.	OMD-	57	2.34	\$10,075	\$21,603	15.8%	54.4%	3.5%	8.8%	\$7,782	\$19,397	56.1%
Other Math/Social Science	OMS	186	3.04	\$10,998	\$25,520	23.7%	59.7%	4.8%	7.0%	\$9,935	\$22,504	55.4%
Other Physical/Life Sciences	OPLS	134	2.48	\$12,010	\$20,193	17.2%	49.3%	1.5%	8.2%	\$11,058	\$16,454	47.8%
Other Renewable Resources	ORN	84	3.01	\$10,280	\$20,149	16.7%	69.0%	3.6%	14.3%	\$12,549	\$20,264	61.9%
Other Technology/Repair	OEST	104	1.30	\$6,356	\$20,967	29.8%	62.5%	2.9%	18.3%	\$5,508	\$19,503	46.2%
Other Transportation	OTRA	21	1.74	\$5,940	\$16,634	9.5%	66.7%	0.0%	23.8%	\$4,750	\$13,706	42.9%
Other Visual/Performing Arts	OVP	48	2.96	\$9,520	\$12,371	10.4%	50.0%	0.0%	6.3%	\$6,341	\$14,661	29.2%
Paralegal	PARA	373	1.31	\$6,817	\$16,988	29.0%	67.0%	1.1%	10.2%	\$6,923	\$16,608	50.4%
Philosophy/Theology	PHIL	183	2.93	\$11,838	\$14,070	20.2%	43.2%	1.1%	3.8%	\$11,228	\$11,908	39.3%
Physics	PHS	112	2.59	\$15,327	\$22,692	14.3%	51.8%	0.9%	4.5%	\$10,218	\$20,929	46.4%
Police Science	POLC	347	1.91	\$8,745	\$21,953	20.7%	62.0%	0.6%	9.2%	\$8,104	\$19,784	53.9%
Psychology	PSYC	827	2.86	\$12,375	\$20,070	20.8%	53.0%	1.9%	4.8%	\$10,747	\$17,876	45.1%
Public Policy/Admin.	PUB-	83	4.63	\$12,376	\$36,652	21.7%	51.8%	1.2%	3.6%	\$10,531	\$35,403	41.0%
Recreation Management	REC-	38	2.21	\$13,434	\$20,458	23.7%	44.7%	0.0%	7.9%	\$14,176	\$19,540	36.8%
Rural Development	RUR	145	2.63	\$14,584	\$19,575	18.6%	47.6%	0.0%	3.4%	\$13,099	\$17,710	38.6%
Special Education	EDSP	76	4.25	\$11,279	\$28,763	13.2%	72.4%	1.3%	7.9%	\$7,767	\$30,443	38.2%
Therapy/Rehabilitation	THER	441	2.90	\$11,534	\$24,352	20.4%	56.0%	1.8%	4.5%	\$10,803	\$22,094	51.7%

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Tourism	TOU	299	0.91	\$5,094	\$13,384	31.8%	64.2%	0.3%	10.4%	\$4,934	\$12,361	63.5%
Truck/Auto Operation	TRUK	273	1.23	\$6,774	\$18,114	44.3%	63.0%	0.7%	14.7%	\$6,587	\$15,351	62.6%
Undecided	UND	1,309	1.56	\$6,131	\$14,491	24.5%	65.6%	1.5%	11.9%	\$5,236	\$14,815	41.1%
Unknown		763	2.62	\$10,707	\$31,510	18.1%	54.1%	3.9%	6.8%	\$8,877	\$28,375	54.8%
Veterinary Medicine/Support	VET-	55	3.35	\$15,685	\$20,860	10.9%	41.8%	7.3%	10.9%	\$4,056	\$20,635	30.9%
Welding	WEL	387	0.93	\$5,691	\$17,111	51.4%	65.9%	0.5%	20.9%	\$5,488	\$16,504	54.0%
Wildlife	WILD	66	2.89	\$7,977	\$16,699	15.2%	56.1%	0.0%	10.6%	\$7,459	\$17,398	43.9%

House Labor & Commerce Committee

State Capitol
Juneau, Alaska 99801-1182
907-465-4954

SPONSOR STATEMENT HCR 24

Recently, in an effort at addressing student loan default rates, the Alaska Commission on Postsecondary Education promulgated a regulation which will have a devastating impact on private vocational education in the State of Alaska. 20 AAC 15.925, which was promulgated *eight years* after the Legislature enacted a statute authorizing such a regulation, will deny loans to all persons intending to attend private Alaska vocational schools whose former students have a default rate of 150% of the general default rate of all schools receiving loans under the Alaska Student Loan Program.

Pursuant to 20 AAC 15.925, numerous vocational schools in Alaska will no longer qualify under the Student Loan Program. This is the case regardless of the quality of education they provided to their former students. This is also the case regardless of how honorably the schools behaved in the past in their treatment of their students and in their relationship with the state. Quite simply, if a defined number of their former students failed to pay their loans, the schools are automatically disqualified. It may be expected that a significant number of private vocational schools will have to close their doors should the regulation be enforced.

The regulation in question only addresses private vocational schools, notwithstanding the fact that some universities have default rates in excess of the defined limit. Indeed, the vast bulk of the dollars in default are attributable to university students, including those of the University of Alaska. Notwithstanding this fact, higher education is not affected by the regulation. Accordingly, enforcement of the new regulation only addresses the smaller part of the overall default problem.

The State of Alaska certainly has an interest in assisting University students in acquiring their education. Let us not forget, however, that the state also has a vital interest in a skilled, trained vocational work force. That can not developed if we paralyze vocational education in Alaska.

Stated succinctly, 20 AAC 15.925 is ill advised. It is unfair and elitist in its scope, affecting only vocational students and not touching university students. It is ineffective since it addresses only a small part of the default problem, and it does not bode well for the development of a skilled vocational work force in Alaska.

HCR 24 urges the Governor to request the Alaska Commission on Postsecondary Education to cease implementation of the regulation and to take action to rescind it. HCR 24 also requests the Governor to urge the Commission to work with all affected parties to resolve student loan default issues. I request your support.

Sponsor



COPY

ALASKA STATE LEGISLATURE
 REPRESENTATIVE RICHARD POSTER

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 Interim PO BOX 1630 NOME, ALASKA 99762 • 907 443 5036 • FAX 907 443 2162

January 22, 1996

Mr. Joe McCormick, Executive Director
 Postsecondary Education Commission
 3030 Vintage Blvd.
 Juneau, AK 99801-7109

Dear Mr. McCormick:

Recently it was brought to my attention that private institutions need more time to react to the "150% regulation" beyond the 30 day notice.

After reviewing the matter I came to agree that at minimum, the regulation should be held in abeyance for at 100 days to give schools sufficient time to review default information and to submit any necessary corrections. Furthermore, I understand many schools have in the past have tried to comply but were told by the Commission that default rates could not be accessed because the computer programming capabilities weren't available.

I fully support the position of those who contend that 30 days to review 10 years or more of default information is simply not enough time. I am also concerned that this regulation could force many private institutions in Alaska to shut down.

My principal concern, however, centers around the unjust impact this regulation could have on the future of vocational schools in Alaska and the subsequent impact on rural students. As you know, proportionately more rural residents attend vocational and trade schools in state. Many rely on the loan program as a primary source of financial assistance and cannot afford to attend out of state institutions.

If I'm not mistaken the original intent of the loan program was to make financial assistance available to Alaskan students regardless of their choice of academic or non-academically related studies. It should also be noted that it is students not the institutions who default on the loans yet the schools are in line to be penalized.

Background

Page Two
Mr. Joe McCormick
January 22, 1996

I agree with the urgent need to reform the student loan program and why curtailing the loans default situation is a serious matter. But I also have grave concerns about a policy which points towards what appears to be unintended consequences by threatening the future of trade schools in Alaska.

With this in mind, I am requesting the Commission to take into consideration these comments and extend the 30 day notice in the 150% regulation accordingly.

Sincerely,



Representative Richard Foster
State House District 88

cc: Northwest College Campus, Nome
Kotzebue Technical Center



SENATOR JIM DUNCAN
ALASKA STATE LEGISLATURE

Alaska State Senate

State Capitol • Room 119 • Juneau, Alaska 99801-1102 • (907) 465-4780 • Fax 405-4748

January 19, 1996

Ms. Diane Barrans, Executive Director
Alaska Commission on Postsecondary Education
3030 Vintage Boulevard
Juneau, Alaska 99801-7109

Dear Ms. Barrans:

It has come to my attention that the Commission proposes to adopt a regulation to suspend loans made to individuals who attend certain institutions within 30 days of providing default information to those institutions.

I request that you delay implementation of this regulation until after the affected institutions have the opportunity to review and evaluate the possible causes of the defaults on student loans. It does not seem fair to take this action so soon after the information becomes available.

Your favorable action on this request will be appreciated. Please keep me informed of your decision.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Duncan", written over a horizontal line.

Senator Jim Duncan

END

Notice: Under AS 44.62.200(b), the agency's final regulations may vary in content from this proposal as long as the subject matter remains the same. If your interests could be affected by agency action on the subject of this proposal, you should make public comment to the agency during the time allowed. Please specifically note any additional costs of compliance you anticipate.

20 AAC 15. is amended to add a new section to read:

20 AAC 15.925 INSTITUTIONAL DEFAULT RATES

(a) Each year the commission staff shall calculate, under AS 14.43.120(d)(4) and this section, the program and institutional default rates as of December 31 of the prior year.

(b) For the purpose of determining a program default rate under AS 14.43.120(d)(4), the commission staff shall divide 1) the total principal balance of scholarship loans in default by 2) the total of scholarship loans awarded by the commission.

(c) For the purpose of determining an institutional default rate, the commission staff shall divide 1) the total principal balance in default of scholarship loans awarded by the commission for attendance at the institution by 2) the total of scholarship loans awarded by the commission for attendance at that institution.

(d) The total in (b)(2) and (c)(2) of this section does not include loans in enrolled or grace period status, but does include loan amounts that have been forgiven or written-off.

(e) The total in (b)(1) and (c)(1) of this section includes loans amounts that have been written-off. (Effective ___/___/___, Register ___)

Authority: AS 14.43.105
AS 14.43.120

(Uniform Commercial Code) to be valid, binding, or effective. (§ 2 ch 92 SLA 1987)

Revisor's notes. — In 1993, under SLA 1993 the citation to the Uniform § 13, ch. 34, SLA 1993 and § 128, ch. 35, Commercial Code was revised.

Chapter 43. Scholarship, Loan, and Grant Programs for Postsecondary Students.

Article

- 4. Scholarship Loan Program (§§ 14.43.120 — 14.43.125, 14.43.150)
- 5. Memorial Scholarship Revolving Loan Fund (§§ 14.43.300, 14.43.305)
- 7. Teacher Scholarship Loan Program (§ 14.43.640)
- 8. Alaska Family Education Loan Program (§§ 14.43.740, 14.43.750)

Article 4. Scholarship Loan Program.

Section

- 120. Conditions of loans
- 122. Consolidation of loans
- 125. Eligibility of students

Section

- 150. Order to assign wages for defaulted loan

Sec. 14.43.120. Conditions of loans. (a) Proceeds from a scholarship loan to a full-time student may only be used for books, tuition and required fees, loan guarantee fees, and room and board. Proceeds from a scholarship loan to a half-time student may only be used for books, tuition and required fees, and loan guarantee fees.

(b) Scholarship loans may only be used to attend a

(1) career education program that has been

(A) approved by the commission before July 1, 1986;

(B) operating for two years before the borrower attends; or

(C) operating for one year before the borrower attends and the commission determines the program is operating on a fiscally sound basis; or

(2) a college or university that

(A) has been approved by the commission before July 1, 1986, or has been operating for at least two years before the borrower attends;

(B) is accredited by a national or regional accreditation association recognized by the Council on Postsecondary Accreditation or is approved by the commission; and

(C) if the loans are federally insured, is approved by the United States Secretary of Education.

(c) To maintain a loan awarded to a full-time student the student must continue to be enrolled as a full-time student in good standing in a career education program, college, or university that meets the requirements under (b) of this section. To maintain a loan awarded to a half-time student, the student must continue to be enrolled as a half-time student in good standing in (1) a career education program, col-

lege, or university in the state that meets the requirements under (b) of this section, or (2) a career education program, college, or university that meets the requirements under (b) of this section, and be physically present in the state while attending the career education program, college, or university. The commission shall adopt regulations defining "good standing" for purposes of this subsection.

(d) Scholarship loans may not be made to a student

(1) for more than five years of undergraduate study;

(2) for more than five years of graduate study;

(3) for more than a total of eight years of undergraduate and graduate study;

(4) to attend an institution, other than a nonprofit institution, if the total amount of scholarship loans made to students to attend that institution exceeds \$100,000 and the default rate on those loans exceeds the program default rate by more than 150 percent as defined by regulation.

(e) Loans are interest bearing while a student is enrolled under (c) of this section or is receiving a deferment of payments under (k) of this section; however, a student is entitled to have a portion of the interest paid in accordance with (l) of this section.

(f) Interest on a loan made under AS 14.43.090 — 14.43.160 is equal to the interest rate

(1) paid in each year on bonds issued by the Alaska Student Loan Corporation under AS 14.42.220; and

(2) necessary to pay the administrative cost of the student loan program that is represented by the loan.

(g) Repayment of the principal and interest on the loan begins not later than one year after the borrower's studies are terminated. The loan shall provide for repayment of the total amount owed in periodic installments in not more than 10 years from the commencement of repayment if the loan is to a full-time student, or in not more than five years from the commencement of repayment if the loan is to a half-time student, except as provided in (k) and (m) of this section. If the commission and the borrower agree to a different repayment schedule, the borrower shall repay the loan in accordance with the agreement. A borrower may make payments earlier than required by this subsection.

(h) Security may not be required for a loan; however, a loan guarantee fee, as specified in (u) of this section, shall be charged at the time that the loan is awarded. Additionally, provision shall be made for payment of all fees and costs incurred in collection of the amount owed on the loan if it becomes delinquent or in default.

(i) If a loan is in default, the commission

(1) shall notify the borrower that, if the borrower has an occupational license issued under AS 08, the license may not be renewed under AS 08.02.025 and that repayment of the remaining balance is

Testing Institute of Alaska, Inc.

December 13, 1995

2114 Railroad Avenue
Anchorage, Alaska 99501
(907) 276-3440
Fax (907) 279-7093
Welding / Quality
Inspection / Integrity

Attention: All Alaska Legislators - 1996 Session

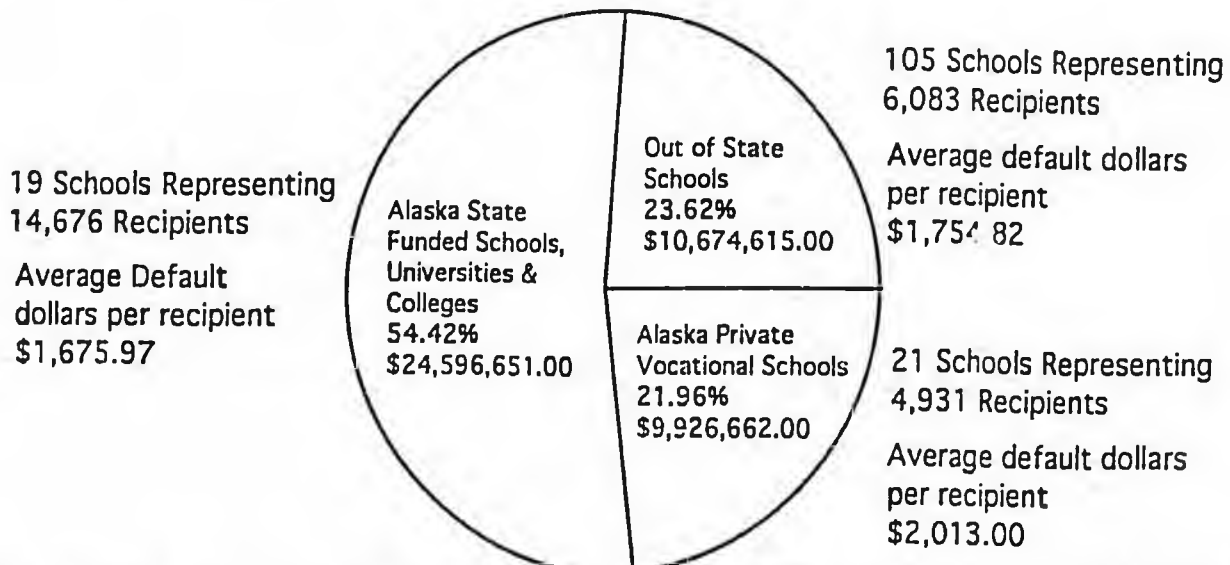
Subject: Default Rates as Illustrated in the Postsecondary memorandum dated October 26, 1995, Table 1, Pages 1 thru 6 of Loans Received 1989 - 1993.

The following information is derived from the default rates illustrated by the Alaska Postsecondary Commission in their 10/26/95 memorandum distributed to all Legislators, placing the default blame on the Private Vocational Schools.

The default percentages illustrated were in numbers of recipients and were not shown in default dollars.


When multiplying the percentage of defaulted recipients by the average loan illustrated, we find a dramatic change in who is generating the default problem.

1. Alaska State funded schools, Universities and Colleges accounted for 54.42% of the total ASLP loan dollars in default.
2. All out of State schools, Universities and Colleges accounted for 23.62% of the total ASLP loan dollars in default.
3. Alaska Private Vocational schools accounted for 21.96% of the total ASLP loan dollars in default.



If all private vocational schools were eliminated, an estimated 50% or more of those students would seek loans with a University or State Vocational system, which would further increase their default percentage. This enrollment would also have an increased state subsidized costs, which would make a greater burden on the state with no cure to the defaulted loan dollars. We should not needlessly destroy an industry that trains Alaskans for Alaskan jobs and keeps income in Alaska.

Donald M. Lockman, President

Donald M. Lockman  TIA

Monday, January 8, 1996

SB123
1-9-96

Dear Legislator,

Student Loan Defaults are threatening the future of the Student Loan Program, but putting the private schools out of business will not save the Student Loan Program. It will only hurt future students and businesses in Alaska.

1) If SB 123 is passed in its current form, future Alaskans will not be able to receive the vocational training they need to become productive citizens in Alaska.

Articles 3, 4, 5, and 6 (in the 5/11/95 Senate Version) propose to severely reduce loan amounts to short term programs under 30 weeks. If this bill is passed, it will essentially wipe out vocational training programs in Alaska. We feel that this bill is unfair and discriminatory. Vocational students deserve loans for education, too.

2) Vocational schools offer the same number of required contact hours for full time students as do universities.

Full time university students are required to take a minimum of 12 credit hours per semester (15 weeks), which equals 180 contact hours. Full time vocational students attend class 30 hours a week for a minimum of 6 weeks, which also equals 180 contact hours.

3) Although default is the real issue, the Commission's efforts to eliminate vocational schools will only address 15% of the problem, and therefore will not save the loan program.

Private vocational schools only receive 15% of the total loan funds available. The other 85% of the moneys go to universities in and out of state. It is the total number of dollars in default that is threatening the loan program, not simply the total number of people in default. The average university student borrows \$5500 each year for four years, totalling a debt of \$22,000 whereas a vocational student borrows one loan for \$4000 - \$5000. Over 50% of the total dollars in default come from University of Alaska Students. It is predominantly the university students that are driving the default rate, and yet no steps are being taken to manage or regulate this portion of the problem. We need to address the issue of default for both vocational and university students in order to tackle the default problem.

4) The implementation of the new 150% regulation gives an unreasonable time frame for schools to review the last ten - twenty years of default information before cutting off loans to vocational students.

This regulation stipulates that any school over 150% of the State's average default rate will have 30 days to contest the State's default numbers, after which they will be cut off. Due to management and computer problems in the past, the Commission has not been able to provide reliable, accurate information to the schools on student defaults, (we have a signed letter from Joe McCormick stating that the Commission is not capable of providing this information). We, the career schools have been trying to work with the Post Secondary Commission for years to find out our default rates and to work on a default management program in conjunction with the student loan program. It is very frustrating seeing the vocational schools being blamed for the Commission's lack of an effective default management program.

5) To tackle the default problem the Post Secondary Commission needs to implement stricter requirements for granting loans such as requiring co-signers or credit checks, and implement an effective default management program in conjunction with the schools; universities and career schools alike.

By notifying the schools as soon as a student is late on a payment, the schools can work to contact, council, and assist the student in getting a job before the student goes into default. This is just one of the many ways that the schools can work with the Student Loan Program on default management. But to demonstrate our progress, we need a fair assessment process that is pro-active instead of retroactive, using annual calculations instead of cumulative default numbers, that applies to all post secondary institutions across the board. Only regulating the private schools will not save the loan program. The vocational schools cannot be held responsible for the Commission's mismanaged loans of the past, but they can be instrumental in a successful loan program in the future.

We understand that there have been "fly-by-night" schools in the past that have literally stolen hundreds of thousands of dollars from this state and then disappeared. These are the "Bad Guys" that have given career education a bad name. But the schools that are in Alaska today, schools that have been around for ten and twenty years and have complied with all of the rules and regulations put forth by the state, these are the "Good Guys" that are now being punished and over-scrutinized by the Post Secondary Commission. We need a default management program to track down bad school owners as much as for default student loans!

Best regards,

Anne Adasiak-Andrew

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Anchorage, AK 99501
907 274-0967

STATE OF ALASKA

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

3030 VINTAGE BLVD.
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June 1, 1995

Greta Ferriss, Financial Services
SST Travel Schools of Alaska, Inc.
2221 E. Northern Lights, Suite 200
Anchorage, AK 99508

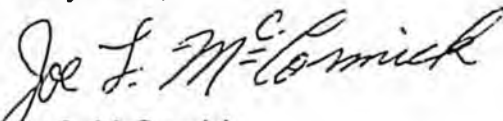
Dear Ms. Ferriss,

Your request for the default rate of your school was received on May 9, 1995.

The Commission does not have the computer programming capabilities to track each school's default rate individually, however, programming is being developed to calculate those rates. Once the programming is complete and we are able to obtain those figures, they will be distributed annually to all schools for which students receive loans from the Commission.

Thank you for your interest in this matter and your patience during the programming process.

Sincerely Yours,


Dr. Joe L. McCormick
Executive Director

(Eff. 2/3/77, Register 61; am 5/10/78, Register 66; am 12/7/80, Register 76; am 7/27/86, Register 99; am 7/16/92, Register 123; am 11/26/94, Register 132; am 11/27/94, Register 132)

Authority: AS 14.43.105
AS 14.43.120

20 AAC 15.055. DEFERMENT OF PAYMENTS. (a) Periodic installments of principal will be deferred, but interest accrues and must be paid unless the recipient is eligible for interest payment benefits under 20 AAC 15.040(g) during

- (1) a return to student status that meets
 - (A) full-time enrollment, if the loan was made under the full-time loan program, or
 - (B) half-time enrollment at an eligible institution that is authorized under AS 14.43.120(b), and attending in state, if the loan was borrowed under the half-time loan program; the deferment of payments may not exceed eight years.
- (2) active duty as a member of the armed forces of the United States;
- (3) service for up to three years as a full-time volunteer under the Peace Corps Act;
- (4) service for up to three years as a full-time volunteer under the Domestic Volunteer Service Act of 1973;
- (5) for a one-time period of up to 12 months in which the recipient is seeking and unable to find employment in the United States;
- (6) a period of disability during which the recipient is unable to attend school or to be gainfully employed as certified by competent medical authority, if
 - (A) the disability is not based upon a condition that existed before making the loan application, or
 - (B) the condition has substantially deteriorated since the time of application, or
- (7) an internship or residency that is required as part of the program of study if the internship or residency does not exceed 48 months.

(b) A recipient who desires a deferment of payments under this section must complete a form provided by the commission describing the conditions under which the deferment is requested. Scheduled payments and interest will continue to accrue until the request for deferment is approved. Loan personnel will approve or deny the request.

(c) Repealed 12/7/80.

(d) A recipient who has received a deferment must notify loan personnel immediately when the conditions under which the deferment was granted no longer exist. When loan personnel receive this notification, the recipient's payment schedule will be redetermined and the recipient notified of the number and amount of the payments required to retire the loan.

(e) A recipient whose loan is in default is not eligible for a deferment under this section.

(f) Accrued interest shall be added to the principal balance of the loan at the end of a grace period under AS 14.43.120(g) or deferment under AS 14.43.120(k) and this section. (Eff. 2/3/77, Register 61; am 5/10/78, Register 66; am 12/7/80, Register 76; am 7/27/86, Register 99; am 8/17/86, Register 99; am 7/16/92, Register 123; am 11/27/94, Register 132; am 6/23/95, Register 134)

Authority: AS 14.43.105
AS 14.43.120

~~20 AAC 15.060. STATE FORGIVENESS PAYMENTS. (g) Under former AS 14.43.120(j), a recipient of a loan is eligible to have up to 50 percent of all loans and accrued interest paid by the state if the loans were awarded before July 1, 1987, and if the recipient remains an Alaskan resident after the successful completion of the course of study for which the loan was granted, is awarded an appropriate degree, diploma, or certificate, and remains, except for brief periods not to exceed a total of 180 days within a 12-month period, in the state during the period for which forgiveness is claimed. A recipient who does not qualify for forgiveness under this subsection, may qualify under (h) or (j) of this section.~~

~~(b) Except as provided in (i) of this section, in order to qualify for full forgiveness payments under former AS 14.43.120(j), a recipient must, within one year after completion of the course of study for which the loan was granted, or an extension of that period by deferment under AS 14.43.120(k), be physically residing in Alaska.~~

~~(c) Forgiveness payments under this section will be computed for the first six years following the completion of the course of study as follows:~~

those benefits will be reduced at the rate of one 10 percent forgiveness increment for each year by which the recipient fails to meet the deadline in (b) of this section.

(j) Notwithstanding the requirements of (a) and (f) of this section, if a recipient is absent from the state for more than 180 days in a 12-month eligibility period and can demonstrate a continuing intent to return to and remain permanently in the state, loan personnel

(1) will award forgiveness benefits if the absence is due solely to serving on active duty as a member of the armed forces of the United States; or

(2) will, in their discretion, award forgiveness benefits if the recipient is or was out of Alaska on one of the following allowable absences:

(A) receiving medical treatment if the treatment is on the advice of a licensed physician and does not include a seasonal or permanent change of residence;

(B) serving in the United States Congress as a representative or senator for Alaska;

(C) serving on the staff of a congressional representative or senator from Alaska;

(D) serving as an employee of the State of Alaska, including employment in a field office;

(E) held in the custody and control of another state; or

(F) accompanying a member of the recipient's immediate family who is receiving medical treatment on a licensed physician's advice, if requested or required by the family member's physician.

(Eff. 2/3/77, Register 61; am 12/7/80, Register 76; am 7/9/82, Register 83; am 12/13/84, Register 92; am 7/27/86, Register 99; am 7/11/87, Register 103; am 11/29/87, Register 104; am 5/18/90, Register 114; am 11/28/92, Register 124; am 6/23/95, Register 134)

Authority: AS 14.43.105
AS 14.43.120

20 AAC 15.065. DEFAULT. (a) A recipient's loan will be considered in default if loan payment is 120 or more days past due, the recipient fails to comply with the reporting requirements of 20 AAC 15.040(a), or if the recipient is determined by loan personnel to have falsified any required document.

(b) When a loan is 90 days past due, the recipient will be notified of that fact. The recipient has 30 days to cure the delinquency or otherwise respond in writing to loan personnel. Failure to cure the delinquency or otherwise respond to the 90-day notification within 30 days will result in a loan default.

(Eff. 2/3/77, Register 61; am 7/27/86, Register 99)

STATE OF ALASKA

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

TONY KNOWLES, GOVERNOR

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MEMORANDUM

TO: (H) Labor and Commerce Committee
Honorable Peter Kott, Chair

THRU: Diane Barrans, Executive Director

FROM: Gillian R. Hays, Executive Assistant *grh*

DATE: January 24, 1996

RE: ACPE Compliance with AS
14.42.120(d)(4)

During the work session on January 17, 1996, members of the Labor & Commerce Committee expressed an interest in knowing how the 1987 Legislature had arrived at the institutional default rate threshold of 150% of the overall Alaska Student Loan Program default rate.

I have not yet uncovered any records that point to the reason for this threshold level. With the assistance of Corporation Bond Counsel, Ken Vassar, I have discovered, however, that this is not the first time Alaska has set such a threshold for measuring performance in a public and private business relationship.

Similar to the Alaska Student Loan Corporation, the Alaska Industrial Development and Export Authority (AIDEA) is a steward of state funds and maintains its fiduciary responsibilities by measuring the performance of its lenders by loan delinquency rates. Attached are the pertinent statutes and regulations. While theirs is a much harsher method (probably due to the more formal relationship between AIDEA and the lenders), it sets a precedence for this type of requirement and supports the approach taken by the Legislature in 1987 to amend the Alaska Student Loan Program's statutes.

This provides a basis for comparison given the underlying purpose for creating such programs, that is to assist individual Alaskans, in the case of the student loan program, by preparing them to be productive and economically viable participants in Alaska's workforce. The state's fiduciary responsibility is reflected in the language that prevents the private sector from benefiting from the program while the state is left with non-performing loans and former students are left without the employment or income necessary to repay their debt. The law provides the Commission with this tool that will protect both the corpus of the loan fund and the Alaskan consumer by setting a benchmark for measuring institutional performance and requiring institutions to be responsible for the product they sell.

I hope this information is helpful. Please let me know if I can be of further assistance.

Attachment

3 AAC 99.906. CURTAILMENT OF ORIGINATOR ELIGIBILITY. The authority will discontinue purchasing and/or guaranteeing loans from a financial institution (1) when that institution's 90-day delinquency rate on all AS 44 loans, by dollar value, exceeds the greater of two percent or the weighted average delinquency rate of all current qualified originators' portfolios, or (2) as provided in the loan participation and servicing agreement between the originator and the authority. (Eff. 11/30/90, Register 118)

Authority: AS 44.88.165

§ 44.88.160

ALASKA STATUTES

§ 44.88.172

Sec. 44.88.160. Findings of the authority. [Repealed, § 23 ch 123 SLA 1990.]

Sec. 44.88.165. Delinquent loans. The authority shall adopt regulations to describe the circumstances under which it will discontinue purchasing loans from a financial institution because of excessive delinquencies among the loans previously purchased by the authority from the financial institution. In adopting the regulations, the authority must consider the authority's delinquency experience with loans it purchased from all financial institutions. The authority may include in the regulations other remedies it considers appropriate as alternatives to the discontinuance of purchasing loans from the financial institution. (§ 42 ch 115 SLA 1981; am § 55 ch 113 SLA 1982; am § 15 ch 123 SLA 1990)

Effect of amendments. -- The 1990 amendment, effective June 15, 1990, rewrote this section.


Alaska Commission on Postsecondary Education

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TELECOPIER COVER SHEET

Date: 1/30/96
 Send To: George Dozier
 FAX #: 2819
 Number of pages: 4
 (Including Cover Page)
 FROM: Gillian Hays - Log. Liaison x6718
 Fax: (907) 465-3293

Message: It appears recommended
Changes were not incorporated
into resolution. Here they
are again. Thank you. FN forthcoming

PERSONAL USE ONLY

Document Sent By: gjh
 Date/Time Completed: 1/30 10:45 am

9-LS1592C

HOUSE CONCURRENT RESOLUTION NO. 24
 IN THE LEGISLATURE OF THE STATE OF ALASKA
 NINETEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Introduced:
Referred:

A RESOLUTION

1 Relating to student loan default rates at vocational education schools.

2 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

3 WHEREAS private vocational education is an integral part of Alaska's education
4 system; and

5 WHEREAS private vocational education schools in the state account for 21.96 percent,
6 state funded public schools, universities, and colleges account for 54.42 percent, and schools,
7 universities, and colleges outside the state account for 23.62 percent of the total Alaska
8 Student Loan Program loan dollars in default; and

9 WHEREAS the statutory authority for promulgating 20 AAC 15.925 (Program and
10 Institutional Default Rates) was enacted by the legislature in 1987; and

11 WHEREAS the Alaska Commission on Postsecondary Education did not promulgate
12 20 AAC 15.925 (Program and Institutional Default Rates) until November 1995, eight years
13 after the legislature authorized the ~~regulation~~ *statute*; and

14 WHEREAS 20 AAC 15.925 (Program and Institutional Default Rates) applies only
15 to private vocational education schools; and

16 WHEREAS the Alaska Commission on Postsecondary Education has no authority to
17 conduct credit checks on potential borrowers; and

1 WHEREAS The Alaska Student Loan Program has changed dramatically from 1987
2 to 1995; and

Fund decreased

3 WHEREAS 20 AAC 15.925 (Program and Institutional Default Rates) does not take
4 into account new owners of private vocational education schools who have a substantially
5 lower default rate than the schools' previous owners and the regulation calculates the schools'
6 ~~average~~ average default rate over the life of the school; and

7 WHEREAS 20 AAC 15.925 (Program and Institutional Default Rates) does not give
8 private vocational education schools a grace period to bring down default rates, and the
9 regulation immediately prohibits a school whose default rate is greater than 1.5 times the
10 average ~~default~~ ^{program} rate from participating in the Alaska Student Loan Program; and

X

11 WHEREAS ~~20 AAC 15.925 (Program and Institutional Default Rates)~~ ^{14.43.120(d)(4) Conditions of Loan} does not
12 provide a mechanism for a private vocational education school to reenter the Alaska Student
13 Loan Program once the school has been prohibited from participating in the program; and ^{on an annual}

14 WHEREAS the executive director of the Alaska Commission on Postsecondary ^{basis}
15 Education has stated in writing that the reason the regulation was promulgated was at the
16 direction of the legislature in 1995; further, in testimony before the House Labor and
17 Commerce Committee, the executive director's assistant said the direction from the legislature
18 for promulgating this regulation came from a letter of intent attached to legislation that did
19 not pass the legislature; and ^{and from the direction of the members of the AK. Comm. on P.S. Education}

20 WHEREAS the Alaska Commission on Postsecondary Education has had no
21 systematic ^{institutional} loan default management program; and

22 WHEREAS solving the default rate problem of the Alaska Student Loan Program will
23 require examination of all the loans of the program and not just those loans made to
24 vocational education students; and

25 WHEREAS 20 AAC 15.925 (Program and Institutional Default Rates) is unfair to the
26 private vocational education students in the state; and

27 WHEREAS ameliorating the Alaska Student Loan Program default rate would be
28 assisted by soliciting and utilizing the knowledge and expertise of those who are actively
29 involved in the state's private vocational school industry; and

30 WHEREAS the private vocational education schools have expressed willingness to
31 cooperate fully with the commission to lower default rates; and

1 **WHEREAS** immediate implementation of 20 AAC 15.925 (Program and Institutional
2 Default Rates) will cause irrevocable harm to private vocational education in the state and is
3 not in the best interests of ~~the students, the schools, or the state;~~

4 **BE IT RESOLVED** that the Governor is respectfully requested to urge the Alaska
5 Commission on Postsecondary Education to immediately cease implementation of 20 AAC
6 15.925 (Program and Institutional Default Rates) and take whatever action is necessary to
7 rescind the regulation; and be it

8 **FURTHER RESOLVED** that the Governor is respectfully requested to urge the
9 Alaska Commission on Postsecondary Education to work and consult with all affected parties
10 in order to achieve a satisfactory resolution of the issues raised by student loan default rates
11 and to craft a more equitable loan default regulation.

STATE OF ALASKA

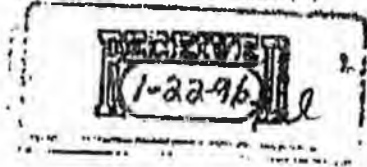
TONY KNOWLES, GOVERNOR

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

January 17, 1996

Donald M. Lockman
President
Testing Institute of Alaska, Inc.
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Dear Mr. Lockman,

I am writing in response to your letters to Governor Knowles, received December 18 and 26, 1995, regarding institutional defaults and pending legislation CSSB123, respectively. The Governor asked that I reply to your letters.

First, let me respond to your reconfiguration of default data extracted from the Commission white paper, *Long Term Debt for Short Term Training--Service or Disservice*. It appears, from your calculations, that you assumed no payment or collection activity at all on defaulted loans. While that is not generally the case, I believe that the point you were attempting to illustrate is that the dollar loss to the loan fund, from vocational students who default is considerably less than from collegiate borrowers. Clearly that is a fact. Eighty to 85 percent of our lending is to collegiate borrowers and therefore, while a smaller percentage of those borrowers default, the overall dollar amount is greater.

However, what is very evident in that data is that vocational borrowers, whether attending vocational programs in or outside of Alaska, default at a much higher rate than those who borrowed to attend collegiate programs. That demonstrates that the apparent "value added" by short term vocational programs does not compare well to that of longer vocational or academic programs--at least when using the borrowers' willingness or ability to repay their Alaska Student Loan as a measurement tool.

That is a concern to the Commission in that we, by statute, are required to provide loan funds to anyone you admit to your program if they meet some very simple qualification tests. You sell that student a "product" that is intended to increase their economic value in the labor market to the extent that they will be willing and able to repay the money we had loaned to them. The defaulted borrower will be subject to loss of Permanent Fund Dividends, wage garnishment, etc. The Commission will incur additional costs in collecting on that account. It is in both the Commission's and the student's best interest to avoid that occurrence. That is our ultimate goal.

The fact of the matter is that the Commission, by statute is prohibited from making loans to a student if they choose to attend a school that has a poor track record of repayment by

VIA TELETYPE

January 17, 1996

Page 2

borrowers who attended that school in the past. The Legislature has determined what institutions will currently be subject to the law. The Commission must comply with the law and that is the process in which we are currently engaged.

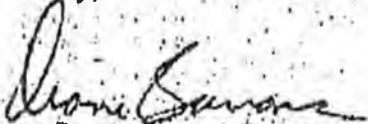
Regarding your second letter, I am sure that you are aware that CSSB123 was legislation which originated with and was supported by the Alaska Commission on Postsecondary Education to increase the loan maximum for graduate student borrowers. Once in the legislative review process, a number of amendments to the bill were discussed and incorporated into the bill as each committee of review considered and approved the proposed changes.

The bill currently before the Alaska Legislature is one that the Commission is on record as supporting. The difficult situation that is facing both the Commission and the Alaska Student Loan Program is what changes must be made in the student loan programs to ensure that the program still exists in the year 2000 and beyond. By looking at the default trend data, we can clearly document that, in general, short term vocational students default at much higher rates than collegiate borrowers. In this instance, both the Commission and Corporation are acting much like a bank's board of directors and supporting action to stem an obvious source of losses to our loan fund.

The state of Alaska does not underwrite the losses to our loan fund. The Corporation is charged to ensure that the fund is administered in a fiscally responsible way. Our mission is to serve the students of Alaska not simply to provide institutions with an easy source of funding their operations. I would encourage you and other institutions in Alaska, which have not already done so, to take action to diversify the financial aid sources available to your potential students. This will provide all Alaskan students with an opportunity to combine non-loan or grant aid with loans and thereby reduce their debt load upon completing training.

I hope this information provides you with a better understanding of the changes the Commission and Corporation are supporting.

Sincerely,



Diane Barrans
Executive Director

cc: Tony Knowles
Governor

END

Promissory Note

Loan Amount Financed: 18. Write the amount you are requesting: \$ _____ .00	Annual Percentage Rate: X% (no more than 9%--the exact rate will be set under 1994 SLA ch. 112 before disbursement)	Guarantee Fee: An additional fee up to 5% [or 1%]* of the amount borrowed will be charged.
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The terms of this application/promissory note packet will be interpreted according to Alaska law including Alaska Statutes 14.43.090-160 and Alaska regulations 20 AAC 15.010-085.

Interest Charge

The annual percentage rate is set by ACPE based on bond rates paid by the Alaska Student Loan Corporation and on administrative costs. The 1995-96 rate will not exceed 9%. The actual rate will be disclosed prior to loan disbursement. I may reject the loan at that time if I do not wish to be bound by the interest rate. I understand that interest accrues during a "grace period." Accrued unpaid interest and fees must be satisfied before any payment will be applied toward principal. ACPE may add any unpaid interest that accrues during a grace period or deferment to the unpaid principal balance of this loan.

Guarantee Fees

A portion of the guarantee fee will be deducted from each loan disbursement [or added to principal]*.

Collection Costs

I am responsible for all costs incurred in the collection of this loan including attorney and collection fees if this loan becomes delinquent or in default.

Prepayment

I may at any time, at my option and without penalty, prepay on this loan.

Repayment

I will contact ACPE when I terminate school to establish a repayment schedule. Interest accrues starting the first day after I cease to attend an eligible educational institution in accordance with the enrollment requirements specified for my loan. I have the right to a 6-month interest-bearing

"grace period" before the repayment period begins. My first payment will be due no later than the first day of the seventh month after my grace period begins. I will repay this loan in monthly installments of at least \$50 within 15 years [10 years]* for loans for full-time attendance, and within 10 years [5 years]* for loans for half-time attendance, of the date of the commencement of the repayment period. I may request a shorter repayment period.

The particular terms and conditions of repayment that apply to this loan will be set forth in a separate document that ACPE will provide to me before the repayment period begins. I must repay the loan in accordance with the repayment schedule that ACPE gives me. Failure to make a scheduled monthly payment when it is due will result in past due notices, adverse credit rating, and ineligibility for subsequent loans.

Default and Credit Bureau Notification

If I default on this loan, ACPE may declare the entire unpaid amount of the loan, including interest and fees, immediately due and payable. Any of the following events could place you into a default status: acceptance of disbursements if I have not met all requirements outlined herein; a loan payment was 180 [120]* or more days past due; failure to notify the lender of a change in my name, address, school, financial status, residency status, change to half-time status, or withdrawal from school; failure to maintain Alaska residency while borrowing under this program; or falsification of any document in connection with the making of this loan, whether by omission or commission. I

understand that if loan payments were 180 [120]* or more days past due my Alaska Permanent Fund Dividend can be attached, if applicable, and my Occupational License may not be renewed. ACPE may transfer my loan to a collection agency for collection of this debt. ACPE may institute legal action to force me to repay my loans.

Information concerning the amount of this loan and its repayment may be reported to credit bureau organizations. If I default on this loan, the lender will also report the default to credit bureau organizations. This may significantly and adversely affect my ability to obtain other credit.

Bankruptcy

In the event that bankruptcy proceedings are commenced by or against me, I agree to notify ACPE in writing within 20 days after the petition is filed.

Statement of Educational Purpose

I authorize the educational institution to pay to ACPE any refund which may be due to me. I further authorize any educational institution that I may attend, to release to ACPE, or subsequent holder or their agents, any requested information pertinent to this loan (e.g., employment, enrollment status, current address). I certify that I will use any ACPE funds I receive solely for the expenses listed in the Borrower's Rights and Responsibilities in the application packet. I understand that I am responsible for immediately repaying any funds I receive which cannot reasonably be attributed to meeting my educational expenses at the educational institution named on this form.

19. I PROMISE TO PAY THE LENDER, State of Alaska, Alaska Commission on Postsecondary Education, the amount advanced to me plus interest and fees. I certify that I am 1) an Alaska resident as defined in the instructions, 2) admitted to and enrolled in a degree or certificate program, 3) a citizen or resident alien of the United States, 4) not delinquent or in default on any loan received from this agency or past due in paying an established child support obligation, and 5) I have not had an Alaska Student Loan written off for any reason within the last five years. I understand that if I become delinquent, future disbursements will be denied.

I understand that this is a promissory note. I have read and understood all information provided in this packet. I have retained a copy of this application/promissory note packet for my records. By signing I certify under penalty of perjury that all information I have provided in support of this application is true to the best of my knowledge and that I agree to abide by the terms and conditions of this note and the application packet.

THIS IS A LOAN THAT MUST BE repaid

Signed: Signature of Borrower (In Ink): X	Date of Signature	Cosigner (If borrower is under 16 years of age)
---	-------------------	---

**Note: Under AS 09.63.020(b), a person who makes a false sworn certification can be convicted for perjury.

*The information shown in brackets will apply if proposed legislation is not enacted.

**GOVERNMENT-IMPOSED RATE CEILINGS
REVOLVING RETAIL CREDIT**

<u>STATE</u>	<u>ANNUAL RATE CEILING</u>
1. Arizona	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
2. California	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
3. Connecticut	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
4. Delaware	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
5. Idaho	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
6. Illinois	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
7. Kentucky	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
8. Montana	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
9. Nevada	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
10. New Hampshire	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
11. New Jersey	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
12. New Mexico	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
13. New York	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
14. North Dakota	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
15. Oregon	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
16. South Carolina	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
17. South Dakota	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
18. Utah	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
19. Virginia	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
20. Washington	Competitive Market Rate, Deregulated (No Imposed Rate Ceiling)
21. Florida	Parity (Highest rate imported into state by out of state lenders)
22. Louisiana	Parity
23. Texas	Parity
24. Ohio	25%
25. Hawaii	24%
26. Maryland	24%
27. Colorado	21%
28. Georgia	21%
29. Indiana	21%
30. Mississippi	21%
31. Oklahoma	21%
32. Tennessee	21%
33. Vermont	21%
34. Wyoming	21%
35. North Carolina	21% on 1st \$800, 18% there after.
36. Alabama	21% on 1st \$750, 18% there after.
37. Kansas	21% on 1st \$1000, 14.4% there after.
38. Nebraska	21% on 1st \$500, 18% there after.
39. Michigan	20.4%
40. Missouri	20%
41. Iowa	19.8%
42. Massachusetts	18%
43. Maine	18%
44. Minnesota	18%
45. Pennsylvania	18%
46. Rhode Island	18%
47. West Virginia	18%
48. Wisconsin	18%
49. Alaska	18% on 1st \$1000, Federal Discount rate plus 5 points there after. (currently 10.25% there after.
50. Arkansas	Federal Discount rate plus 5 points. (currently 10.25%)

(7)

HOUSE COMMITTEE REPORT

Date Referred to Committee: January 26, 1996

FURTHER REFERRALS:

Date of Committee Action: 1-31-96

The LABOR AND COMMERCE Committee considered:

HCR 24

HOUSE CONCURRENT RESOLUTION NO. 24

VOCATIONAL SCHOOL DEFAULT RATE REGULATION

Relating to student loan default rates at vocational education schools.

recommends it be replaced with the following committee substitute CS HCR 24 (L&C) [X] the same title [] a new title

[] additional referral to _____ Committee [] attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) APPROVES PREVIOUS: (Dept/Date)

[] fiscal note(s) _____ [] fiscal note(s) _____

[X] zero fiscal note(s) Generated by H&C, pertaining to DOE [] zero fiscal note(s) _____

Table with 5 columns: SIGNING WITH RECOMMENDATIONS, DP, DNP, NR, AM. Rows include signatures: Ann Kelly, [Signature], Jane K... [Signature], Brian Porter, Jerry Sanders, Pete Kett.

CHAIR'S SIGNATURE Pete Kett

CS FOR HOUSE CONCURRENT RESOLUTION NO. 24(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

**Offered:
Referred:**

Sponsor(s): HOUSE LABOR AND COMMERCE COMMITTEE

A RESOLUTION

1 **Relating to student loan default rates at vocational education schools.**

2 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 **WHEREAS** private vocational education is an integral part of Alaska's education
4 system; and

5 **WHEREAS** the statutory authority for promulgating 20 AAC 15.925 (Program and
6 Institutional Default Rates) was enacted by the legislature in 1987; and

7 **WHEREAS** the Alaska Commission on Postsecondary Education did not promulgate
8 20 AAC 15.925 (Program and Institutional Default Rates) until November 1995, eight years
9 after the legislature authorized the regulation; and

10 **WHEREAS** 20 AAC 15.925 (Program and Institutional Default Rates) applies only
11 to private vocational education schools; and

12 **WHEREAS** the Alaska Commission on Postsecondary Education has no authority to
13 conduct credit checks on potential borrowers; and

14 **WHEREAS** The Alaska Student Loan Program has changed dramatically from 1987
15 to 1995; and

16 **WHEREAS** 20 AAC 15.925 (Program and Institutional Default Rates) does not take
17 into account new owners of private vocational education schools who have a substantially

1 lower default rate than the schools' previous owners and the regulation calculates the schools'
2 average default rate over the life of the school; and

3 WHEREAS 20 AAC 15.925 (Program and Institutional Default Rates) does not give
4 private vocational education schools a grace period to bring down default rates, and the
5 regulation immediately prohibits a school whose default rate is greater than 1.5 times the
6 average default rate from participating in the Alaska Student Loan Program; and

7 WHEREAS 20 AAC 15.925 (Program and Institutional Default Rates) does not
8 provide a mechanism for a private vocational education school to reenter the Alaska Student
9 Loan Program once the school has been prohibited from participating in the program; and

10 WHEREAS the executive director of the Alaska Commission on Postsecondary
11 Education has stated in writing that the reason the regulation was promulgated was at the
12 direction of the legislature in 1995; further, in testimony before the House Labor and
13 Commerce Committee, the executive director's assistant said the direction from the legislature
14 for promulgating this regulation came from a letter of intent attached to legislation that did
15 not pass the legislature; and

16 WHEREAS the Alaska Commission on Postsecondary Education has had no
17 systematic loan default management program; and

18 WHEREAS solving the default rate problem of the Alaska Student Loan Program will
19 require examination of all the loans of the program and not just those loans made to
20 vocational education students; and

21 WHEREAS 20 AAC 15.925 (Program and Institutional Default Rates) is unfair to the
22 private vocational education students in the state; and

23 WHEREAS ameliorating the Alaska Student Loan Program default rate would be
24 assisted by soliciting and utilizing the knowledge and expertise of those who are actively
25 involved in the state's private vocational school industry; and

26 WHEREAS the private vocational education schools have expressed willingness to
27 cooperate fully with the commission to lower default rates; and

28 WHEREAS immediate implementation of 20 AAC 15.925 (Program and Institutional
29 Default Rates) will cause irrevocable harm to private vocational education in the state and is
30 not in the best interests of the students, the schools, or the state;

31 BE IT RESOLVED that the Governor is respectfully requested to urge the Alaska

1 Commission on Postsecondary Education to immediately cease implementation of 20 AAC
2 15.925 (Program and Institutional Default Rates) and take whatever action is necessary to
3 rescind the regulation; and be it

4 **FURTHER RESOLVED** that the Governor is respectfully requested to urge the
5 Alaska Commission on Postsecondary Education to work and consult with all affected parties
6 in order to achieve a satisfactory resolution of the issues raised by student loan default rates
7 and to craft a more equitable loan default regulation.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CS HCR 24 (L&C)

Title: Relating To Student Loan Default Rates at Vocational Educational Schools
Sponsor: House Labor and Commerce
Requestor: _____

Dept. Affected: Education
BRU: AK Comm on Postsecondary Education
Components: _____
Serial #: _____

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

CAPITAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
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REVENUE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
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FUNDING: (THOUSANDS OF DOLLARS)

General Fund						
Federal Fund						
Other						
TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

POSITIONS :

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

see attached analysis

Prepared by:

Pete Kott
Representative Pete Kott
Chair, House L&C

Date: 2-1-96

Phone: 465-3777

Phone: _____

01/31/96 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150
15:13:31 PARTICIPANT LIST (ALL PARTICIPANTS) BY:FBX
TCN:60249 SCHEDULED FOR:01/31/96 15:00 TO 17:00 FOR:FBX
PUBLIC HEARING HOUSE LABOR & COMMERCE
LOCATION: FAIRBANKS
HCR 24 SARA EDDINGS NEW CONCEPTS TESTIFY

01/31/96 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150
15:11:54 PARTICIPANT LIST (ALL PARTICIPANTS) BY:ANC
TCN:60249 SCHEDULED FOR:01/31/96 15:00 TO 17:00 FOR:ANC
PUBLIC HEARING HOUSE LABOR & COMMERCE
LOCATION: ANCHORAGE
HCR 24 JENNIFER DEITZ CAREER ASSOC TESTIFY ✓
HCR 24 DON LOCKMAN TESTING INST TESTIFY ✓
HCR 24 MILTON BYRD CHARTER COLLEGE TESTIFY ✓
HCR 24 DENNIS MILLHOUSE TREND SETTERS TESTIFY
HCR 24 ANNE ADASIAK-ANDREW SST TRAVEL SCHL TESTIFY

HCR

35



TELECOPY COVER SHEET
Ketchikan Legislative Information Office
Office - (907) 225-9675 Fax - (907) 225-8546

TO: House Labor & Commerce Committee

ATTN: Rep. Pete Kott FAX: 465-2819 PHONE: _____

FROM: UAS Klu Faculty PHONE: _____

INSTRUCTIONS: _____

SENT: Date 4/24/96 Time 1:30

DISPOSAL OF ORIGINAL: Discard _____ Hold for Pickup _____

NUMBER OF PAGES: 7 (NOT counting cover sheet)

TRANSMITTED BY: Debbie

April 24, 1996

Representative Brian Porter
House Labor & Commerce Committee
Alaska House of Representatives
Juneau, Alaska

Dear Representative Porter:

As full-time faculty of the UAS Ketchikan campus, we regard community colleges as an essential part of Alaska's higher educational system. We believe the 1987 restructuring of the University of Alaska has failed to preserve and maintain a strong community college mission.

House Concurrent Resolution No. 35 addresses our concerns. We urge your support for passage. Thank you.

Sincerely,



Priscilla Schulte
Professor
P.O. Box 5721
Ketchikan, AK 99901



Robert Warner
Associate Professor
888 Monroe Street
Ketchikan, AK 99901



Margaret Lynne
Associate Professor
P.O. Box 7796
Ketchikan, AK 99901

April 24, 1996

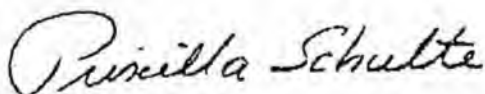
Representative Jerry Sanders
House Labor & Commerce Committee
Alaska House of Representatives
Juneau, Alaska

Dear Representative Sanders:

As full-time faculty of the UAS Ketchikan campus, we regard community colleges as an essential part of Alaska's higher educational system. We believe the 1987 restructuring of the University of Alaska has failed to preserve and maintain a strong community college mission.

House Concurrent Resolution No. 35 addresses our concerns. We urge your support for passage. Thank you.

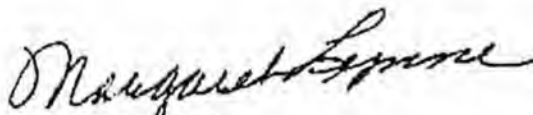
Sincerely,



Priscilla Schulte
Professor
P.O. Box 5721
Ketchikan, AK 99901



Robert Warner
Associate Professor
888 Monroc Street
Ketchikan, AK 99901



Margaret Lynne
Associate Professor
P.O. Box 7796
Ketchikan, AK 99901

April 24, 1996

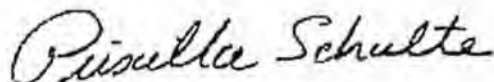
Representative Beverly Masek
House Labor & Commerce Committee
Alaska House of Representatives
Juneau, Alaska

Dear Representative Masek:

As full-time faculty of the UAS Ketchikan campus, we regard community colleges as an essential part of Alaska's higher educational system. We believe the 1987 restructuring of the University of Alaska has failed to preserve and maintain a strong community college mission.

House Concurrent Resolution No. 35 addresses our concerns. We urge your support for passage. Thank you.

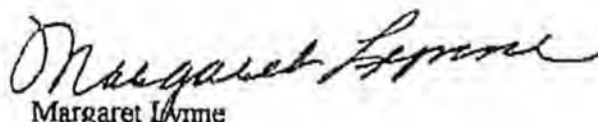
Sincerely,



Priscilla Schulte
Professor
P.O. Box 5721
Ketchikan, AK 99901



Robert Warner
Associate Professor
888 Monroe Street
Ketchikan, AK 99901



Margaret Lynne
Associate Professor
P.O. Box 7796
Ketchikan, AK 99901

April 24, 1996

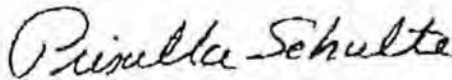
Representative Kim Elton
House Labor & Commerce Committee
Alaska House of Representatives
Juneau, Alaska

Dear Representative Elton:

As full-time faculty of the UAS Ketchikan campus, we regard community colleges as an essential part of Alaska's higher educational system. We believe the 1987 restructuring of the University of Alaska has failed to preserve and maintain a strong community college mission.

House Concurrent Resolution No. 35 addresses our concerns. We urge your support for passage. Thank you.

Sincerely,



Priscilla Schulte
Professor
P.O. Box 5721
Ketchikan, AK 99901



Robert Warner
Associate Professor
888 Monroc Street
Ketchikan, AK 99901



Margaret Lynne
Associate Professor
P.O. Box 7796
Ketchikan, AK 99901

April 24, 1996

Representative Pete Kott
Labor and Commerce Committee
Juneau, Alaska

Dear Representative Kott:

The faculty of Prince William Sound Community College (PWSCC) are in support of HCR35. We understand the importance of the community college mission. We believe that this resolution is important to higher education in Alaska.

Sincerely,

PWSCC Faculty



Alaska State Legislature

Please enter into the record my testimony to the House Labor & Commerce
 committee on HCR 35 and SCR 30, dated April 24, 1996
 bill/subject

I oppose the reinstatement of the community college system in Alaska. Since the merger with the university system in 1988, students have benefited in:

- Improved transferability of credits
- Availability of upper division course offerings
- Cross-registration between campuses
- Improved credibility of Mat-Su College (as part of a university)

The argument that tuition will be lowered is not valid. Declining appropriations from the state will continue, and will force tuition increases regardless of whether a community college or part of the university system.

The cost of implementing the change would not benefit the students in any way. A great deal of money has already been spent in eliminating the community college system.

The motive of the ACCFT is purely self serving and not in the best interest of students. The faculty at UAA are considering joining a collective bargaining unit other than ACCFT which is a threat to their existence.

Don't be fooled by this gimmick!! REJECT HCR 35 and SCR 30.

Signed: Bette A. Belman
 Testifier

Representing (Optional)

P.O. Box 871572, Washilla, AK 99687

Address

907-376-3120 hm. 907-745-9726

Phone No.



federation of teachers

alaska community colleges'

association of teachers, librarians, and counselors of labor - congress of industrial organizations

HCR 35

The Alaska Community College Federation of Teachers (ACCFT) represents 260 teachers, librarians and counselors at the University of Alaska who are responsible for the delivery of community college programs of instruction. These programs include vocational-technical, academic transfer at the introductory 100-200 level, adult basic education and adult continuing and community education curriculum. I am here today on behalf of the members and executive board of the ACCFT to support passage of House Concurrent Resolution 35/Senate Concurrent Resolution 30.

The State of Alaska Legislature has a long history in support of community colleges and community college programs within the state since their creation by the Legislature in 1953. The Legislature continued this support with passage of the 1962 Community College statute and the development by 1986 of 12 accredited community colleges. In 1987 the legislature conditionally approved a university plan of restructure if the university would preserve and maintain the community college mission, budget and identity. This has not been done!

Recent data provided by the University of Alaska, documents the decline of the community college mission. Between 1991 and 1995 there has been a 31% decrease in the number of students taking non-credit courses (a total of 1,780 students taking such courses as adult basic education, computer programming, auto emissions, power boiler operation, electrical apprenticeship, etc.), a 13% decrease in the number of students who have not declared a major (2476 students), a 7% decrease in part time students (1639 students), a 7% decrease in the number of students taking developmental education courses (231 students). Concurrently, the number of vocational classes offered has decreased by 13% (164 sections). In the same period, "access" for students has been restricted because of significant post-merger increases in tuition and fees.

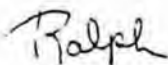
The ACCFT believes that this decline in the community college, mission and programs has been brought about because there is no clearly defined "community college mission, budget, and identity" and because there has been a steady increase in tuition and fees that has priced higher education beyond the reach of many traditional community college students.

The "community college mission, budget, and identity" continues to become more blurred as the result of ongoing restructuring efforts. In 1987, "the merger; in 1994 "program assessment"; and in 1995-96 "restructuring of campuses". These actions are indicative of change without design. This anarchy, we believe, has led to further erosion of our community college programs and offerings.

When the legislature conditionally approved the 1987 restructuring, it was to give the university latitude in realizing administrative cost savings. These cost savings have not been forthcoming! In fact, the University has stated that the 1987 "restructuring" cost more than it saved.

A review and thoughtful plan by the State needs to occur to determine how best community needs in higher education can be realized. These resolutions are one way to assure that objective review occurs. We ask for your help.

Sincerely,



Ralph McGrath, President
ACCFT

THE COMMUNITY COLLEGE STUDENT

Declining Enrollments*

	1991	1995	% Change	# Change
Non-Credit Headcount	5818	4038	-31%	-1780
Non-Credit Enrollment	7738	5222	-33%	-2516
Undeclared Majors Headcount	18632	16156	-13%	-2476
Declared Majors Headcount	14730	16325	11%	+1595
Part-Time Student Headcount UAA	14033	12477	-11%	-1556
Full-Time Student Headcount UAA	6236	6280	1%	+44
Part-Time Student Headcount	22774	21135	-7%	-1639
Full-Time Student Headcount	10588	11346	7%	+758
Developmental Education Headcount	3227	2996	-7%	-231
Vocational Student Credit Hours	42769	36592	-14%	-6177
Vocational Sections Offerings	1267	1103	-13%	-164
Vocational Course Offerings	825	737	-11%	-88

Increasing Costs**

	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	INC
TUITION	\$ 50.00	\$ 55.00	\$ 64.00	\$ 67.00	\$ 69.00	\$ 70.00	29%
ACTIVITY FEES 3 - 5 CREDITS	\$ 37.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 54.00	\$ 56.50	35%
ACTIVITY FEES 6 - 9 CREDITS	\$ 37.00	\$ 45.00	\$ 45.00	\$ 57.00	\$ 74.00	\$ 76.50	52%
ACTIVITY FEES 10 OR MORE CREDITS	\$ 37.00	\$ 45.00	\$ 45.00	\$ 57.00	\$ 79.00	\$ 81.50	55%

*Table compiled by ACCFT staff from data in UA in Review 1995

**Table compiled by ACCFT staff from data in UAA Class Schedule

Alaska State Legislature



Official Business
Fax : (907) 465-3472

Speaker of the House of Representatives

State Capitol
Juneau, Alaska 99801-1182
(907) 465-3720
(907) 465-2689

SPONSOR STATEMENT HCR 35

HCR 35 was introduced in order to put focus on the issue of the merger, in 1987, of the Community College System with the University of Alaska.

This resolution confirms the opinion, of many in the legislature, who feel that the community college mission is not being served as it should be under the current university structure. While positive things have occurred since the restructuring, we have also seen a decline in opportunities in vocational and developmental educational programs, which should be an integral part of Alaska's global higher education offerings.

We don't wish to detract from any of the positive movement made in recent years by the University System; however we want to try to bring common programs, from throughout the state, together. This Resolution is not asking to have a separate community college. It is merely asking the Alaska Commission on Postsecondary Education to develop a plan for restoration of a community college system within the university, under guidance from the Board of Regents, to keep the linkage between the two institutions, and also to protect the individual missions of each sector.

Further, there is still a cultural difference between those programs that serve community college type students and those programs that serve either associate or bachelor's degree type students. There's a vast difference in faculty, students, purpose and mission and since the merger, it's been very difficult to bring those two cultures together. The typical community college student is older, usually married and often working full-time. Those students require a different kind of counseling and teaching style than other degree students do.

There was a commitment by the Board of Regents at the time of restructuring to maintain the community college mission. The enrollment numbers indicate that something is not working according to that commitment. As the university has been struggling to meet its financial needs, it's been raising tuition. While we are on par with the national average for university tuition, we are way over the national average in community college tuition and it's becoming a major problem.

If we are able to pull the community colleges all together to provide them the ability to develop a quick response to community education needs as the community colleges are supposed to, without going through the University curriculum process,

it would allow us to develop processes which are far more appropriate for both lower division and vocational education courses.

This resolution is both timely and necessary and I would encourage and appreciate it's passage.

282 S. Hoyt
Anchorage, AK 99508

April 23, 1996

House Labor & Commerce
Alaska State Legislature
State Capitol (MS 3100)
Juneau, AK 99801-1182

Chair: Pete Kott
Vice Chair: Norman Rokoberg
Beverly Masek
Brian Porter
Jerry Sanders

Dear Labor & Commerce Committee members;

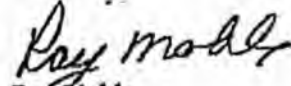
I am writing in support of House Concurrent Resolution No. 35. I teach Electronics Technology at the main campus at UAA and I have been teaching in that program since 1984. Our program currently has only 66% of the credit hour production it had at the time of the 1987 "merger". For this to happen in a high tech field such as electronics, which pervades almost all areas of modern society, is indicative that we, like other vocational and community college programs statewide, are not getting the support necessary to our job.

I firmly believe that the only way we will get the necessary support is to have a separate and clearly definable community identity with its own administrative structure, budget, and mission.

The community college programs are under serious and steady decline under the current university system. Passage of HCR No. 35 could reverse this trend.

Please share this with all members of the Labor and Commerce Committee. Thank you for your time and consideration.

Sincerely,


Ray Noble

Paul D. Alexander
4511 Folker St. #27B
Anchorage Alaska 99507

Tue, Apr 23, 1996

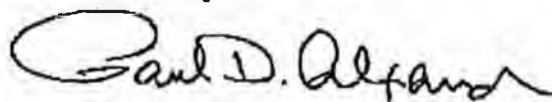
House Labor & Commerce Committee
Alaska State Legislature
State Capitol (MS 3100)
Juneau, Alaska 99801-1182

Dear Committee Members:

I am writing this letter to urge you to support House Concurrent Resolution #35. I am a Vocational teacher in the Electronics Technology Department at UAA's College of Career and Vocational Education (CCVE). I was employed by Anchorage Community College in 1983. Since the 1987 merger of the Community College with the University system I have noticed a marked decrease in the attention to the "Community College mission" that was promised by the University Administration at the time of the merger. For example, in a recent University study of enrollment from 1991 to 1995, Non-Credit headcount was down by 31%, and Undeclared Majors was down by 13%. These numbers are a good indication that the Community College Mission statement "To promote Community education programs and courses of instruction to meet community and State needs" is not being adhered to. According to the same study Vocational Student Credit Hours (-14%), Vocational Sections offerings (-13%), and Vocational Course offerings (-11%) indicates the University's lack of either funding or recognition of Vocational education.

The merger and the subsequent program assessment and reorganization are just manipulations of numbers to make credit hour production look good University wide. Before the merger the Community College System produced about 70% of the credit hour production on about 30% of the budget of the University System. When the University merged they now had those credit hours averaged in with theirs. Community college teachers taught a four part teaching and one part service workload, whereas the University Teacher taught a 3 part teaching, one part research, and one part service workload; therefore the Community College teacher will always have a greater Credit hour production ratio. In the 94/95 program assessment the Electronics department was assessed as needing enhancement and a \$100,000 per year for three years and as of April 22, 1996 we have received one set of used cabinets and two sets of new cabinets for our classrooms. The major source of equipment and training partnerships in the last remaining vestiges of the Community College (CCVE) are acquired by the instructors of the various departments. The Ford Asset program in Automotive Technology, The diesel generators and motors in the Diesel Technology program, The Federal Aviation Partnership and the eminent partnership with Intel in the Electronics Technology program were acquired with no University funding. Now the University is again reorganizing and CCVE will be absorbed into other University Colleges and the Community College will be dead. Please Protect Our Community Colleges by voting for HCR # 35.

Sincerely,



Telephone: 907 562-4816

2026 Alder Dr.
Anchorage, AK 99508

April 23, 1996

House Labor & Commerce
Alaska State Legislature
State Capitol (MS 3100)
Juneau, AK 99801-1182

Chair: Peto Kott
Vice Chair: Norman Rokeberg
Beverly Masek
Brian Porter
Jerry Sanders

Dear Members of the Committee:

I am writing to urge your consideration and support for House Resolution No. 35, the reinstatement of the Community College System state-wide in Alaska. It would be of benefit to your constituents.

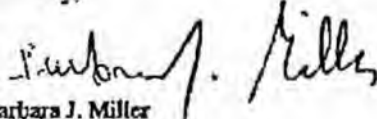
I have been with the University of Alaska system for the past five years, teaching in the Electronics Technology program. I do not have a history with the old community colleges. I can look at the numbers from before and after, however, and see the decline in enrollment, credit hours, and course offerings, and the increased costs. There were no appreciable savings attributed to the merger; certainly not the millions of dollars promised by the administration.

Over the last five years, I have watched the students become secondary to the "University" entity. The students have repeatedly indicated their awareness of this situation. I have heard the word "research" become the guiding force behind the future of UAA. Lip service is given to the "Community College Mission", which was and is the actual teaching of employable skills. My business acquaintances complain that they are having a difficult time finding employees with job skills, and they cannot get a response from the University.

It is disconcerting to have a Chancellor who sits on a committee which recommended privatization of a large portion of his own college (Balanced Budget Committee). Having had exposure to privatized education, I can assure you that only a very few individuals profit from it. The latest reorganization recommendation at UAA has resulted in a further disintegration of the identifiable 2 year programs, and absorption of their budgets into new colleges and schools.

I again urge you to support the education of your constituents by supporting HB35. Thank you.

Sincerely,


Barbara J. Miller

HJR

23

Benefits for YOU

EDUCATION

Initial training for entry level fish processing has resulted in fishery jobs for more than 150 local residents. In anticipation of long range training needs, groups have set aside education and scholarship endowments insuring funds for residents' tuition to acquire necessary skills, Coast Guard licenses or college degrees. Coastal Villages Fishing Cooperative plans to establish a school to train residents in herring and salmon roe grading. Currently these lucrative positions are filled by foreigners.

JOBS

All CDQ groups are required to provide jobs for community residents, either working directly with the CDQ operation or their fishing partners. Each group has goals for employment placement in their approved Community Development Plan (CDP). Interested residents should contact their local CDQ management office.

COMMUNITY

All six groups plan fishery development infrastructure projects in and around their area. This will result in many jobs and long term economic development in these communities. Plans include shoreside processing facilities, warehouses, cold storage, fishing gear storage, docks, and fishery enhancement projects. Projects will be partially or wholly owned by the CDQ groups.

SECURITY

Through vessel, gear, permit or future Individual Fishery Quota (IFQ) loans, local residents will become personally involved in long range fishery career opportunities. Bristol Bay plans on direct fishery investments; Coastal Villages has already purchased direct ownership of a factory trawler; Yukon Delta has purchased two fishing vessels and Central Bering Sea will soon launch a vessel loan program. Management of these operations will require a host of local resident managers and onshore fleet support staff.



Photo: Alaska Seafood Marketing Institute

Made into a great variety of tasty products, Alaska pollock enters the world market to feed millions of people.

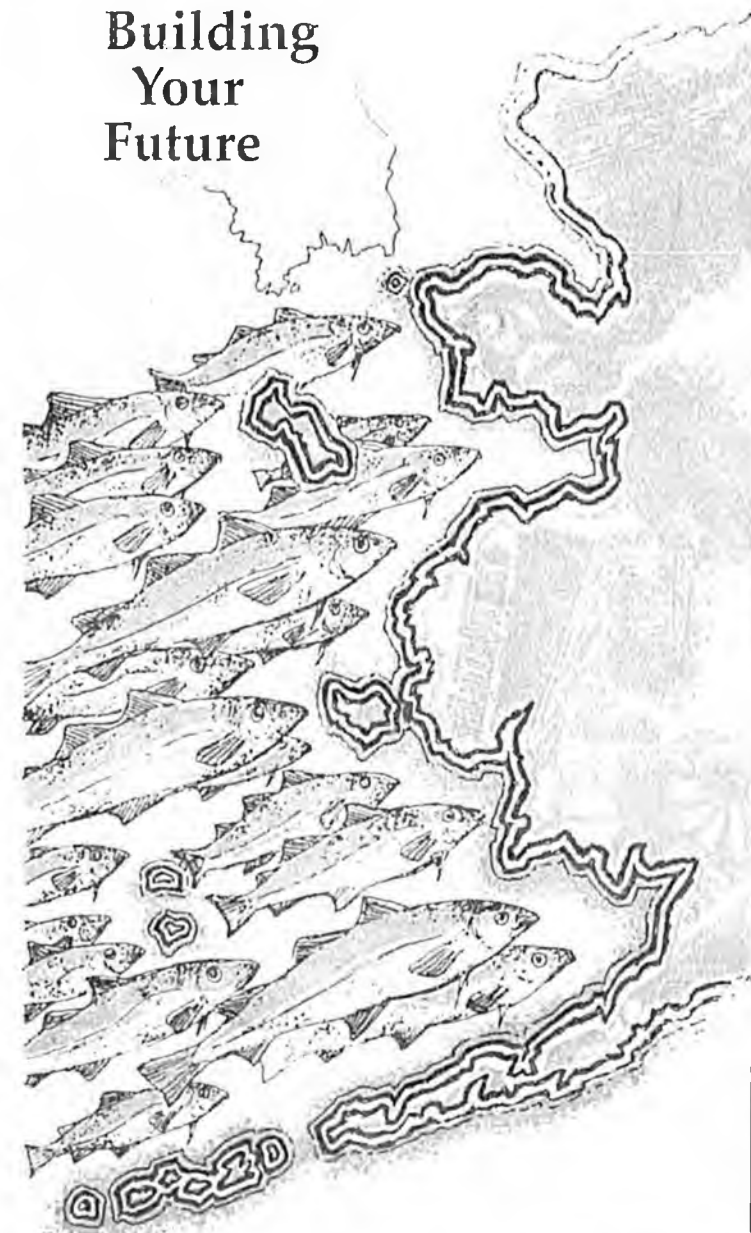
The CDQ program will forever change the economic outlook for Alaska's Bering Sea coastal communities. The Fisheries Conservation and Management Act (Magnuson Act) provided for Americanizing the Bering Sea fisheries. The CDQ program lets them be Alaskanized. Rural resident fishermen lacking necessary financial capital, groundfishing experience and fishing vessels adequate to compete in the fishery are provided direct access through the CDQ program. Wise management of CDQ quota and prudent financial investments will secure a longterm involvement. Through sound fisheries management, the 21st century holds a very bright future for this heretofore depressed area of the great state of Alaska.

For additional information on the CDQ program, contact:

John M. Walsh
Dept. of Community & Regional Affairs
P.O. Box 112100
Juneau, Alaska 99811-2100
Phone (907) 465-4898

This brochure was prepared by the rural students at Mt. Edgecumbe High School, Sitka, Alaska.

Building Your Future



the CDQ Program

CENTRAL BERING SEA FISHERMEN'S ASSOCIATION

1300 W. 33rd Ave.
Anchorage, Alaska 99503

(907) 278-2312

St Paul

BRISTOL BAY ECONOMIC DEVELOPMENT CORPORATION

P.O. Box 1464
Dillingham, Alaska 99576

(907) 842-4336

Aleknagik
Clark's Point
Dillingham
Egegik
Ekuk
Manokotak
Naknek

King Salmon/Savonoski
South Naknek
Togiak
Twin Hills
Pilot Point/Ugashik
Port Heiden

ALEUTIAN PRIBILOF ISLAND COMMUNITY DEVELOPMENT ASSOCIATION

Pacific Associates
116 Gold Street Juneau, Alaska 99801

(907) 586-3107

Atka
False Pass
Nelson Lagoon

Nikolski
St. George



the CDQ Regions in Alaska

Prepared for the State of Alaska



The T/A Brown's Point, 50% owned by the Coastal Villages Fishing Cooperative, returns from pollock fishing in the Bering Sea.

Community Development Quotas

Rural communities in western Alaska are poised to benefit from a unique federal, state, and industry fishery partnership developed under Governor Hickel's direction. Approved in March of 1992 and implemented that fall, the Community Development Quota (CDQ) program allows small communities along the Bering Sea to partner with experienced fishery companies to harvest, process and market the bountiful pollock groundfish. 7.5% of the allowable catch limit is reserved for the CDQ program. This amounts to more than 100,000 metric tons of fish! The 55 eligible communities formed six regional associations to compete for a share of the quota. Initial program authorization runs through 1995.

Western Alaskans will benefit through profit sharing, fishery partnerships with experienced industry, direct job placement, career opportunities, nearshore fishery development, experience in groundfishing management, scholarship endowments, and general community development.

POLLOCK ALLOCATIONS

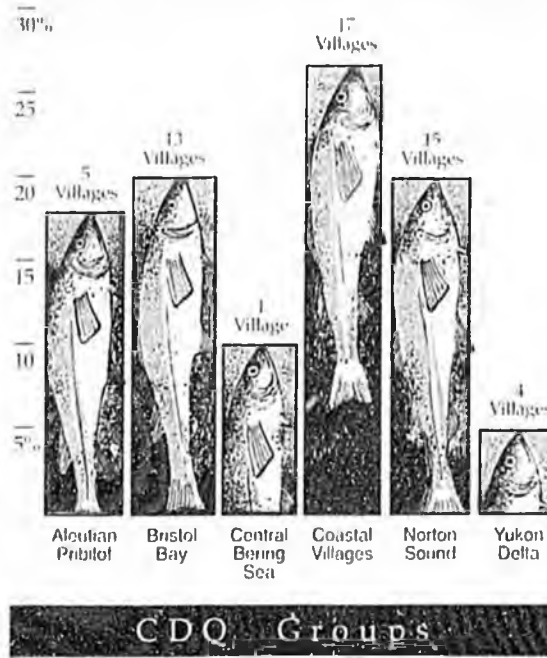


Photo: Alaska Seafood Marketing Institute

Processing of groundfish holds abundant employment opportunities for Alaskans.

CDQ Groups

Alutian Pribilof Island Community Development Association consists of five communities. For 1992/1993 the association was granted 18,260 metric tons of pollock. It has partnered with Trident Seafoods, Inc. and Starbound, Inc. to harvest and process fish. More than 40 local residents will be employed by the end of 1993.

Bristol Bay Economic Development Corporation includes 14 communities, and was allocated 20,289 metric tons of pollock for 1992/1993. Their fishing partner is Oceantravel, Inc. More than 60 local residents will be employed directly in the fishery, with an additional 20 to be placed through a management internship program.

Central Bering Sea Fishermen's Association represents the fishing community of St. Paul. In partnership with American Seafoods, Inc. they are going out for their quota of 10,144 metric tons of fish. Their goal is to employ 25 local residents by the end of 1993.

Coastal Villages Fisheries Cooperative has formed the largest regional association with 17 communities. Their 1992/1993 pollock allocation is 27,390 metric tons. Coastal Villages is partnered with Golden Age Seafoods for harvesting and processing. They will employ more than 50 local residents in the fishery, develop a management intern program and place residents in salmon roe grading jobs.

Norton Sound Economic Development Corporation is comprised of 15 communities. Their 1992/1993 quota is 20,289 metric tons of pollock. Glacier Fish Company, Ltd. is their fishing partner. NSEDC expects 40 local residents to be employed in the fishery in 1993.

Yukon Delta Fisheries Development Association embraces four communities. For 1992/1993 they were granted 5,072 metric tons of pollock. Their partner for harvesting and processing is Golden Alaska Seafoods, Inc. More than 40 local residents are expected to be employed in 1993 operations.

NORTON SOUND ECONOMIC DEVELOPMENT CORPORATION

P.O. Box 39089
Elim, Alaska 99739

(907) 890-2248

Brevig Mission	Shaktoolik
Diomede/Inalik	St. Michael
Elim	Stebbins
Gambell	Teller
Golovin	Unalakleet
Koyuk	Wales
Nome	White Mountain
Savoonga	

YUKON DELTA FISHERIES DEVELOPMENT ASSOCIATION

P.O. Box 210
Emmonak, Alaska 99581

(907) 949-1926

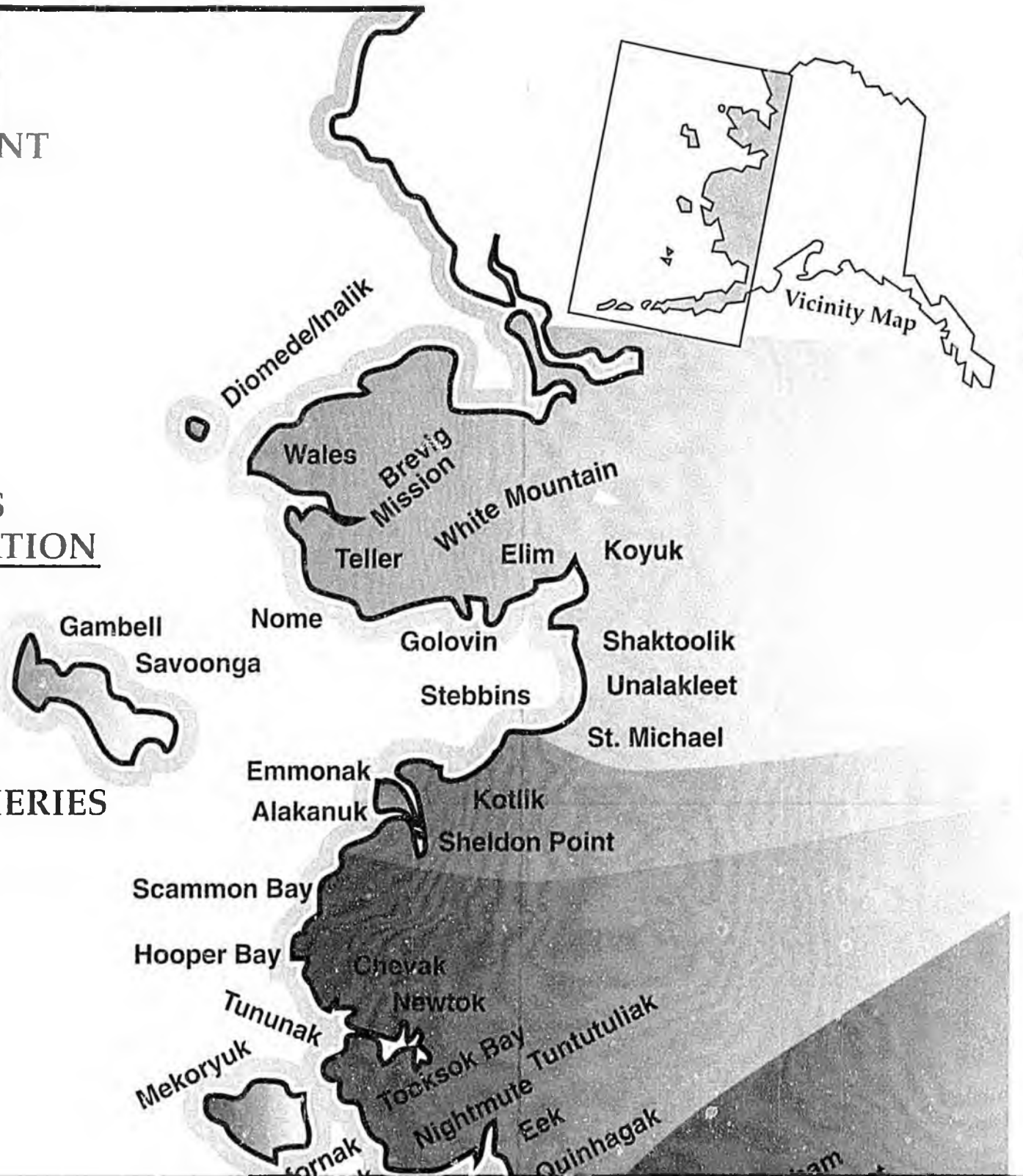
Alakanuk	Kotlik
Emmonak	Sheldon Point

COASTAL VILLAGES FISHERIES COOPERATIVE

204 North Franklin Street, #1
Juneau, Alaska 99801

(907) 586-2360

Cherfornak	Newtok
Chevak	Nightmute
Eek	Platinum
Goodnews Bay	Quinhagak
Hooper Bay	Scammon Bay
Kipnuk	Tooksok Bay
Konigianak	Tuntutuliak
Kwigillingok	Tununak
Mekoryuk	



**NORTON SOUND
ECONOMIC DEVELOPMENT
CORPORATION**

PO Box 3089
Nome, Alaska 99739 (907) 890-2248

Brevig Mission	Shaktolik
Diomedes/Inalik	St. Michael
Elim	Stebbins
Gambell	Teller
Golovin	Unalakleet
Koyuk	Wales
Nome	White Mountain
Savoonga	

**YUKON DELTA FISHERIES
DEVELOPMENT ASSOCIATION**

PO Box 210
Emmonak, Alaska 99701 (907) 949-1926

Alakanuk	Kotlik
Emmonak	Sheldon Point

**COASTAL VILLAGES FISHERIES
COOPERATIVE**

204 South Franklin Street, #1
Juneau, Alaska 99801 (907) 586-2360

Cherfornak	Newtok
Chevak	Nightmute
Eek	Platinum
Goodnews Bay	Quinhagak
Hoopar Bay	Scammon Bay
Kipnuk	Tooksok Bay
Koniginak	Tuntutuliak
Kwigillingok	Tununak
Mekoryuk	

**CENTRAL BERING SEA
FISHERMEN'S ASSOCIATION**

1301 W 33rd Ave
Anchorage, Alaska 99501 (907) 278-2312

St Paul

**BRISTOL BAY ECONOMIC
DEVELOPMENT CORPORATION**

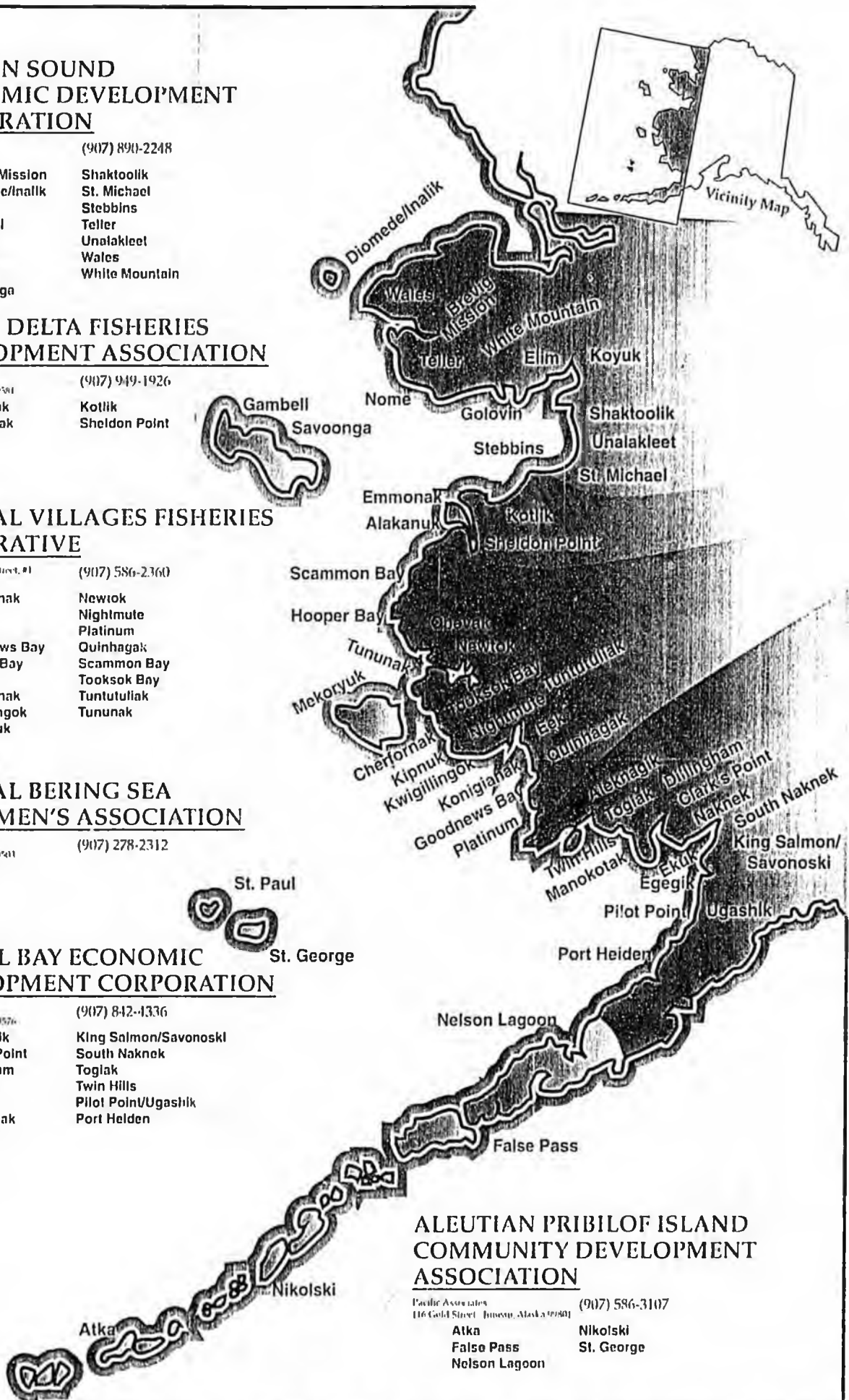
PO Box 1164
Dillingham, Alaska 99576 (907) 842-4336

Aleknagik	King Salmon/Savonoski
Clark's Point	South Naknek
Dillingham	Togalak
Egegik	Twin Hills
Ekuk	Pilot Point/Ugashik
Manokotak	Port Heiden
Naknek	

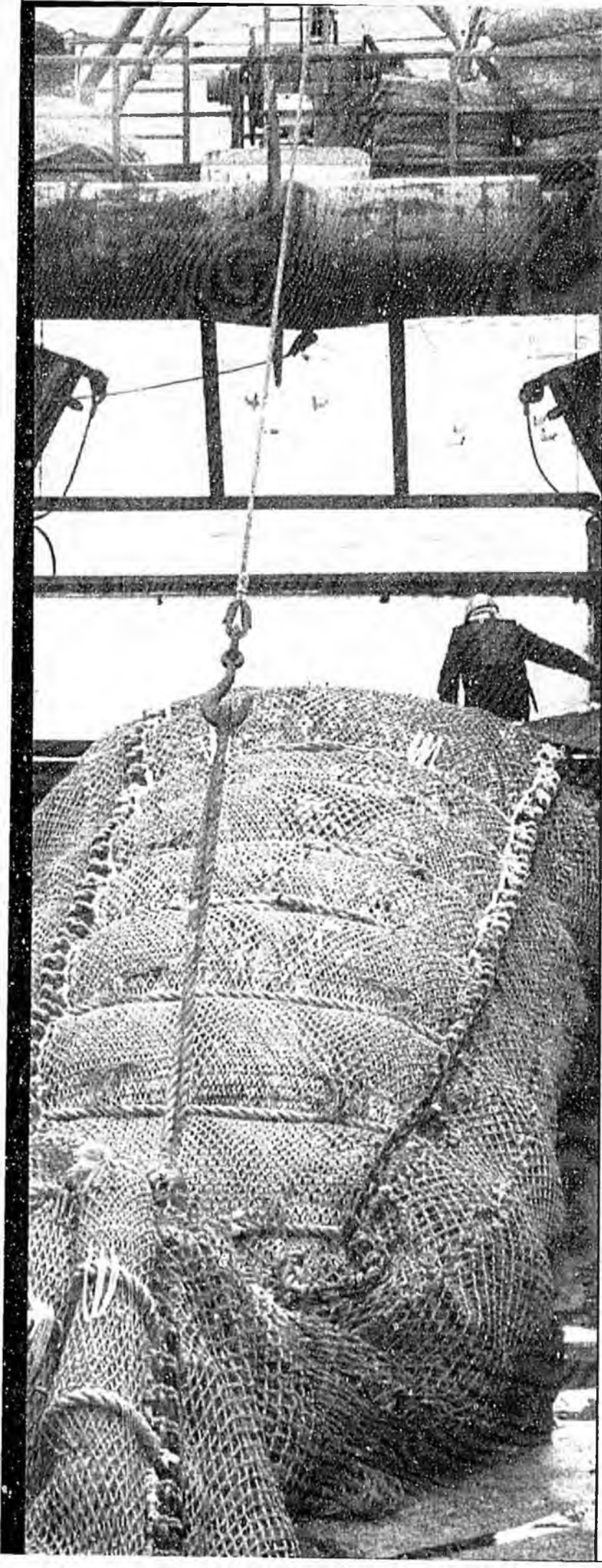
**ALEUTIAN PRIBILOF ISLAND
COMMUNITY DEVELOPMENT
ASSOCIATION**

Pacific Associates
116 Gold Street Juneau, Alaska 99801 (907) 586-3107

Atka	Nikolski
False Pass	St. George
Nelson Lagoon	



the CDQ Regions in Alaska



Fishing for the Future:

Employment and Education through the CDQ Program

According to the Alaska Department of Labor, unemployment in rural Alaska is more than twice the rate of the rest of the state. This is because many communities lack the resources to create jobs and provide residents with vocational and technical training.

In 1992, the Western Alaska Community Development Quota (CDQ) program was approved to help Bering Sea coastal communities benefit from the region's rich pollock fishery. The CDQ program sets aside a portion of the total allowable catch of pollock, halibut and sablefish for harvest by eligible western Alaskan communities. Fifty-six communities have organized to form the six regional CDQ groups that currently participate in the program.

These CDQ groups – the Aleutian Pribilof Island Community Development Association, Bristol Bay Economic Development Corporation, Central Bering Sea Fishermen's Association, Coastal Villages Fishing Cooperative, Norton Sound Economic Development Corporation and Yukon Delta Fisheries Development Association – work in partnership with established seafood companies to harvest, process and market pollock.

Under the CDQ program, the profits from CDQ fisheries must be spent to develop sustainable jobs within the region.

Employment and training opportunities vary with each CDQ group and are generally available to all residents living in member communities and neighboring areas.

If you are interested in finding out more about how the CDQ program can help you plan for your future, contact your regional CDQ group for information on employment opportunities, vocational training and other available programs.

The CDQ program is fishing for the future of western Alaska.



*A publication of the Bering Sea Fishermen's Association
pursuant to National Oceanographic and Atmospheric
Administration Award # NA36FM0280.*



Aleutian Pribilof Island Community Development Association

Employment Opportunities

Trident Seafoods and Starbound Partnership have a resident preference policy to hire qualified individuals from APICDA member communities, including Akutan and Unalaska. Job opportunities vary from clerical and processing jobs to maintenance and equipment operators. Contact the Community Liaison Officer (CLO) in your community for information.

nities, Akutan and Unalaska may apply.

On-the-job training is available for individuals who have completed vocational programs. Positions are with Trident Seafoods and Starbound Partnership to help vocational graduates find permanent job placements. For more information, contact the Juneau APICDA office at 586-3107.

Scholarships

High school graduates and college students from member communities are eligible for college scholarships. Scholarship amounts vary and are determined annually by the APICDA board of directors.

Individuals must be full-time students and maintain a 2.0 grade point average. Students may apply for a scholarship each year. Applications are due June 30 for the fall semester and November 30 for the spring.

APICDA also publishes a booklet outlining other academic scholarships available to students.

For information and applications, contact the Juneau APICDA office at 586-3107.

Internships

Pacific Associates sponsors an internship in the Juneau APICDA office in business development and management.

Trident Seafoods Corporation and the Starbound partnership are developing an internship for outstanding applicants interested in careers in the seafood industry. Interns concentrate on specific interest areas such as product marketing, plant operations, corporate management and sales.

For more information, contact the Juneau APICDA office at 586-3107.

Member Communities

Atka
False Pass
Nelson Lagoon
Nikolski
St. George

Akutan	Jennie Robinson 698-2266
Atka	Michael Snigaroff 839-2249
False Pass	Gilda Shellikoff 548-2207
Nelson Lagoon	Nanette Johnson 989-2235
Nikolski	Leonty Ermeloff 576-2225
St. George	Calvin Kashevarof 859-2246
Unalaska	John Bereskin 581-1234

Vocational Training

APICDA offers scholarships up to \$2000 for vocational training in occupations that support commercial fisheries or community development. Programs have included diesel mechanics, longshoring, computer and office skills, food service technology and small business administration.

Residents of APICDA member commu-



Bristol Bay Economic Development Corporation

Employment Opportunities

Employment on Oceantrawl vessels is open to all individuals within the Bristol Bay region. However priority is given to residents of BBEDC member communities.

New hires start out as processing technicians and may work into positions of greater responsibility.

Contact Rick Shilanski at the BBEDC office in Dillingham at 1-800-478-4370 or 842-4469 for information and applications.

Vocational Training

BBEDC and the Bristol Bay Native Association offer vocational training. BBEDC provides funds to supplement other vocational grants. Training has included office occupations, food service, electronics repair and diesel mechanics. Residents of member communities may apply.

Contact Marlee Fatuesi, BBNA Training Program, at 1-800-478-5257 or 842-5257.

BBEDC has an agreement with the University of Alaska in Dillingham to provide vocational and Grade Equivalent Diploma (GED) classes in member communities.

Contact Johanna Bouker, University of Alaska, at 1-800-478-5109 or 842-5109 for class schedules and information.

Scholarships

BBEDC offers scholarships of up to \$10,000 per academic year to graduate students and college students with a junior or senior standing. The program is open to residents of BBEDC member communities.

Scholarship applications are due July 15.

Contact Pearl Strub, BBNA, at 1-800-478-5257 or 842-5257 for information.

Internships

High school students are eligible for a clerical internship in the BBEDC office during the school year. Contact BBEDC at 842-4370 for more information.

Four three-month administrative internships are open to high school graduates and college students from member communities. Interns work at the Oceantrawl corporate headquarters in Seattle and may specialize in areas such as accounting, legal services, marketing, and management.

Contact the BBEDC office at 1-800-478-4370 or 842-4370 for information.

Permit Brokerage

The Bristol Bay Permit Brokerage assists Bristol Bay residents in buying, selling, and transferring commercial fishing permits and arranging boat leases. Financial counseling is also available for residents needing advice on meeting IRS tax obligations, child support and boat and permit loans.

Contact Bernice Heyano, Permit Broker, at 1-800-478-5257 or 842-5257.

Economic Development

The Alaska Seafood Investment Management Company (ASIMCo) is a limited partnership between BBEDC and Oceantrawl. ASIMCo seeks to create new fisheries business opportunities to support community development programs.

Contact BBEDC for more information.



Member Communities

**Aleknagik
Clark's Point
Dillingham
Egegik
Ekuk
King Salmon/
Savonoski
Manokotak
Naknek
Pilot Point
Port Heiden
South Naknek
Togiak
Twin Hills
Ugashik**



Bristol Bay Times



Central Bering Sea Fishermen's Association

Employment Opportunities

St. Paul Aleut Community members, TDX Corporation shareholders and CBSFA members are eligible to apply for employment with the American Seafoods Company and Pribilof Bering Seafood, Ltd.

New hires generally start out as processing technicians but may work into positions of greater responsibility.

Contact Bill Arterburn at the CBSFA office in Anchorage at 279-6566 or Jan Jacobs, American Seafoods Company at (206) 448-0300 for information on current job openings and applications.

Vocational Training

CBSFA will provide tuition for vocational training programs related to the fishing industry and for occupations that improve and support community development.

Training programs have included areas such as computer skills, small business administration, heavy equipment operation, welding and automotive repair.

St. Paul Aleut Community members, TDX Corporation shareholders and CBSFA members are eligible to apply. Applications are accepted throughout the year.

Applications are available at the TDX offices in St. Paul and Anchorage and the St. Paul High School. Applicants must identify the institution and training program they wish to attend.

For more information, contact Kathy Grace, CBSFA Training Coordinator, at the Anchorage office at 279-6566.

Scholarships

CBSFA funds a scholarship program through the TDX Corporation Foundation. Full-time college students maintaining a 2.0 grade point average may receive a \$2000 scholarship each semester.

Deadlines for applications are July 30 for the fall semester and December 15 for spring semester.

Contact Rena Kudrin, Chairman, TDX Scholarship Foundation at 546-2312.

Internships

CBSFA sponsors an internship in conjunction with the American Seafoods Company.

The intern works in the American Seafoods corporate headquarters in Seattle and gains experience in corporate management and operations.

Contact Agafon Krukoff, President, CBSFA, in Anchorage at 279-6566 or in St. Paul at 546-2312.

Loan Program

CBSFA provides loans to qualifying applicants for the purchase of commercial fishing vessels and gear.

Contact Agafon Krukoff in Anchorage at 279-6566 or in St. Paul at 546-2312.

Economic Development

CBSFA is working to develop a shore-based processing facility in St. Paul to help diversify the local economy and provide additional employment opportunities.

Contact CBSFA for more information.

Member Community

St. Paul



Coastal Villages Fishing Cooperative

Employment Opportunities

Residents of CVFC member communities and non-member communities throughout the Yukon-Kuskokwim region are eligible to apply for employment with Golden Age Fisheries.

New hires generally start out in entry level processing jobs with opportunities to work into positions of greater responsibility.

Applicants must have a physical examination and a drug screening test to qualify.

For information and applications, contact Joe Paniyak, CVFC Employment Coordinator in Chevak, at 858-7250.

Vocational Training

CVFC sponsors technical training programs for specialized areas such as fish processing machine maintenance.

CVFC is also developing a program to train individuals as salmon roe processing technicians.

Residents of CVFC member communities and non-member villages in the Yukon-Kuskokwim region are eligible to apply for vocational programs.

For information and applications, contact Joe Paniyak, CVFC Employment Coordinator, at 858-7250.

Scholarships

The Louis Bunyan Memorial Scholarship program offers academic and vocational scholarships for eligible students.

High school graduates and college students

from CVFC member communities and non-member villages throughout the Yukon-Kuskokwim region may apply.

Scholarships are for students enrolled in vocational training programs related to commercial fisheries or majoring in fields supporting fisheries-related activities. Scholarship amounts vary.

Recipients of Louis Bunyan scholarships are required to work for a CVFC affiliated fish company during the summer, after graduation, or at some time during their training program.

Scholarships are awarded for fall, spring and summer semesters. Eligible students may apply each semester.

For scholarship information and applications, contact Harold Sparck at 543-3788 or write: Louis Bunyan Memorial Scholarship, P.O. Box 2028, Bethel, Alaska 99559.

Internships

Internships are available to high school graduates and college students pursuing careers related to the commercial fishing industry.

Interns work for Golden Age Fisheries in Dutch Harbor and Bethel and in the Golden Age corporate headquarters in Seattle.

Interns gain professional and technical experience in plant operations, production, corporate management and marketing.

Residents of CVFC member communities and non-member villages in the Yukon-Kuskokwim region are eligible to apply for internships.

For more information, contact Joe Paniyak, CVFC Employment Coordinator, 858-7250.



Member Communities

**Cherfornak
Chevak
Eek
Goodnews Bay
Hooper Bay
Kipnuk
Kongiganak
Kwigillingok
Mekoryuk
Newtok
Nightmute
Platinum
Quinhagak
Scammon Bay
Toksook Bay
Tuntutuliak
Tununak**





Member Communities

**Brevig Mission
Diomedes/Ignaluk
Elim
Gambell
Golovin
Koyuk
Nome
Savoonga
Shaktoolik
St. Michael
Stebbins
Teller
Unalakleet
Wales
White Mountain**



Norton Sound Economic Development Corporation

Employment Opportunities

NSEDC offers employment opportunities for residents of member communities including clerical and professional positions in its local offices. The Unalakleet and Shaktoolik processing plants operate during the summer and hire processing workers, plant foremen, maintenance crews and equipment operators.

People interested in jobs on Glacier Fish Company fishing vessels are required to complete a basic seafood training program through the Alaska Vocational Technical Center (AVTEC). Applicants must also have a physical examination and pass a drug screening test.

Contact Jerry Ivanoff, Training and Education Coordinator in Unalakleet at 1-800-385-3363 or 624-3190.

Vocational Training

NSEDC sponsors a ten-day training program for basic seafood processing through AVTEC in Seward. Students who complete the program receive certificates making them eligible for employment with the Glacier Fish Company.

For more information, contact Jerry Ivanoff, Training and Education Coordinator, at 1-800-385-3363 or 624-3190.

Scholarships

NSEDC awards annual scholarships of \$1000 to high school graduates and college students from member communities. Students wishing to attend an accredited college or vocational school may apply.

Scholarships are based on need and are available only to full-time students. Students may apply for a \$1000 scholarship each year.

Application deadlines are June 30 for the fall semester and November 30 for spring semester. Scholarship applications for vocational training programs are accepted throughout the year.

For applications, contact Jerry Ivanoff at 1-800-385-3363 or 624-3190.

Internships

NSEDC offers an internship in conjunction with Kawerak, Incorporated. Interns work in the Unalakleet and Elim NSEDC offices and assist staff with office operations.

An internship is available for an outstanding applicant with the Glacier Fish Company. The intern works in the Glacier Fish Company office in Seattle and gains experience in management, plant operations, seafood production and marketing.

Residents of NSEDC member communities are eligible to apply for internships.

Contact John Jemewouk, Executive Director, NSEDC, in Elim at 890-2248.

Loan Program

The NSEDC Revolving Loan Program makes loans up to \$7500 to purchase Norton Sound permits and fishing gear and finance vessel improvements.

Loans up to \$15,000 are available for vessel improvements and purchasing gear to participate in the summer crab fishery.

For information, contact Charles Soxie, Revolving Loan Program Manager, in Unalakleet at 1-800-385-3363 or 624-3363.

Yukon Delta Fisheries Development Association

Employment Opportunities

YDFDA has two primary objectives. First, to build a regional fishing company supported by a locally owned commercial fishing fleet. Second, to create onshore infrastructure to maintain boats and gear in local communities.

To meet these goals, YDFDA is developing a coordinated program of training and employment opportunities for residents to gain experience in fishing and support services.

Residents of YDFDA member communities and Yukon Delta villages are eligible for employment with Golden Alaska Seafoods and other fishing companies as processing workers and deck hands.

Applicants must have a physical examination and pass a drug screening test to qualify.

Contact Ed Glotfelty, Director, in Seward at 224-5158 or a YDFDA representative:

Alakanuk	Ragnar Alstrom 238-3117 or 238-3819
Emmonak	Billy Charles 949-1028
Kotlik	Lori Mike 899-4220
Sheldon Pt.	Edward Adams, Sr. 498-4112 or 498-4313

Vocational Training

YDFDA sponsors a five-week longlining program at the Alaska Vocational Technical Center (AVTEC) in Seward. The course covers fishing gear and maintenance, fishing techniques, marine safety and seamanship.

Graduates receive a certificate of completion and are eligible to lease a 32-foot combination fishing vessel from YDFDA. Graduates may also participate in a one-week fishery aboard a YDFDA boat.

AVTEC and YDFDA also offer training in boat fabrication. The 20-week course covers welding and construction of aluminum combination fishing boats.

For information, contact a YDFDA representative or AVTEC at 1-800-478-5389.

Internships

YDFDA sponsors an internship in its Seattle office. Interns are mentored by YDFDA staff and gain experience in finance, management and human resources.

Golden Alaska Seafoods offers a clerical internship in its Seattle headquarters for individuals interested in office occupations and operations.

Contact Eugene Raphel, YDFDA Training Coordinator, at 206-443-1565.

Boat Loans and Leases

YDFDA has a revolving loan fund to finance Yukon River salmon and Norton Sound herring limited entry permits. Applicants must apply through the Alaska Commercial Fishing and Agriculture Bank (CFAB) to qualify.

Graduates of the AVTEC longlining program may lease a 32-foot combination fishing vessel. Boats are equipped for longlining, pot fishing, jigging and herring gillnetting. Skippers awarded a lease may also purchase the boat from YDFDA.

Contact a YDFDA representative or Ed Glotfelty at 224-5158 for information.



Member Communities

**Alakanuk
Emmonak
Kotlik
Sheldon Point**



**Central Bering Sea
Fishermen's Association**
1500 West 33rd Avenue, Suite 110
Anchorage, Alaska 99503
Agaton Krutkoff, Jr., President
PH. (907) 279-6566 FAX (907) 279-6228

**Bristol Bay
Economic Development Corp.**
P.O. Box 1464
Dillingham, Alaska 99576
Nels Anderson, Jr., Executive Director
PH. (907) 842-4370 FAX (907) 842-4336

**Alutian Pribilof Island
Community Development Assn.**
P.O. Box 47307
Atka, Alaska 99547
Mark Smigatoff, Chairman
PH. (907) 839-2249 FAX (907) 839-2234

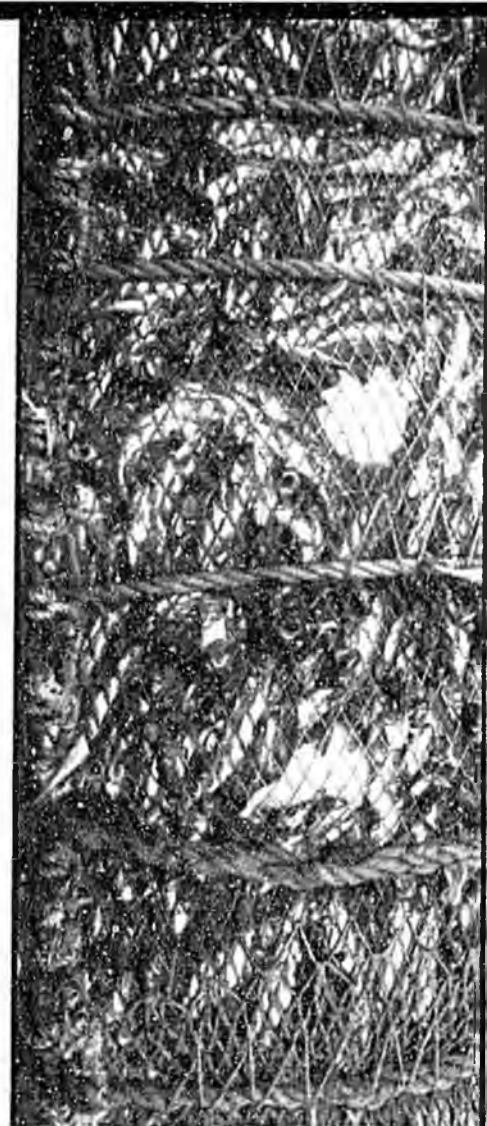
The following regional organizations represent communities participating in the Community Development Quota (CDQ) program. Contact them for more information.

**Western Alaska
Fisheries Development Assn.**
725 Christensen Drive
Anchorage, Alaska 99501
Karl Ohls, Executive Director
PH. (907) 279-6519 FAX (907) 258-6688

**Yukon Delta
Fisheries Development Assn.**
P.O. Box 2626
Seward, Alaska 99664
Edwin Giofelli, Executive Director
PH. (907) 224-5158 FAX (907) 224-5154

**Norton Sound
Economic Development Corp.**
P.O. Box 39089
Elim, Alaska 99739
John Jemewonuk, Executive Director
PH. (907) 890-2248 FAX (907) 890-2249

**Coastal Villages
Fishing Cooperative**
P.O. Box 109
Chevak, Alaska 99563
Joseph V. Pantyak, President
PH. (907) 858-7250 FAX (907) 858-7812



BERING SEA FISHERMEN'S ASSOCIATION

725 Christensen Drive
Anchorage, AK 99501

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**CS FOR HOUSE JOINT RESOLUTION NO. 23(FSH)
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - FIRST SESSION**

BY THE HOUSE SPECIAL COMMITTEE ON FISHERIES

Offered:

Referred:

Sponsor(s): REPRESENTATIVES AUSTERMAN, Ivan, Foster, Finkelstein

A RESOLUTION

**1 Relating to the North Pacific Fishery Management Council's inshore/offshore
2 allocations and the Western Alaska Community Development Quota Program.**

3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

**4 WHEREAS the Western Alaska Community Development Quota (CDQ) Program is
5 a fisheries development program involving the federal Department of Commerce, the North
6 Pacific Fishery Management Council, the State of Alaska, and 56 Bering Sea coast, Aleutian
7 Islands, and Pribilof Islands communities; and**

**8 WHEREAS the inshore/offshore allocation of fishery resources assures Alaska's
9 coastal communities, which are economically dependent on fishing, access to the fishery
10 resources off their coast; and**

**11 WHEREAS the current inshore/offshore allocations and the CDQ program are
12 scheduled to expire in December 1995; and**

**13 WHEREAS the CDQ program has set aside 7.5 percent of the available Bering Sea
14 pollock quota during 1992 through 1995 for Bering Sea coast, Aleutian Islands, and Pribilof
15 Islands communities; and**

16 WHEREAS the amount of pollock available for harvest under the CDQ program is

1 more than 100,000 metric tons per year and has an approximate annual value of \$20,000,000;
2 and

3 WHEREAS the CDQ program allocates the available harvest of pollock among
4 eligible communities, local fishermen's organizations, and local economic development
5 organizations who in turn reinvest the proceeds from the harvest and processing of the pollock
6 in additional local fisheries development projects; and

7 WHEREAS the CDQ program is important to the economic development of the
8 Bering Sea coast, Aleutian Islands, and Pribilof Islands communities; and

9 WHEREAS the North Pacific Fishery Management Council established the CDQ
10 program as a component of the inshore and offshore allocation of Bering Sea pollock; and

11 WHEREAS, in 1992, according to the Department of Commerce and Economic
12 Development, Department of Labor, Department of Revenue, and the Alaska Seafood
13 Marketing Institute, the Alaska seafood processing industry harvested more than 5,500,000,000
14 pounds of fish; processed these fish in more than 500 large and small Alaska seafood
15 processors registered with the state; paid fish harvesters \$1,400,000,000; provided more than
16 35,000 shore-based jobs in Alaska; spent \$280,000,000 to support its activities; paid over
17 \$80,000,000 in taxes and cash benefits to the state and Alaska's coastal communities; paid
18 \$10,000,000 for salmon enhancement; paid \$700,000 in fisheries related and marine mammal
19 research and \$3,200,000 for domestic marketing of Alaska seafood products; invested
20 \$1,000,000,000 in shoreside plants; paid \$11,000,000 to local governments in municipal fish
21 taxes; and paid over \$3,000,000 in local real and personal property taxes; and

22 WHEREAS, in Western Alaska, the Aleutian Islands, and Kodiak, shore-based
23 processors pay over \$400,000,000 annually to fish harvesters; process 1,250,000,000 pounds
24 of crab, groundfish, salmon, herring, and halibut; employ over 13,000 people; pay over
25 \$90,000,000 in annual payroll; purchase \$45,000,000 in goods, services, and utilities; pay over
26 \$7,000,000 in local raw fish taxes; and in 1992 paid over \$900,000 in grants to nonprofit
27 organizations;

28 BE IT RESOLVED that the Alaska State Legislature strongly supports reauthorization
29 of the inshore/offshore allocations and CDQ program before they expire in December 1995.

30 COPIES of this resolution shall be sent to the Honorable Ron Brown, Secretary of the
31 U.S. Department of Commerce; the Honorable Richard Lauber, chair of the North Pacific

1 Fishery Management Council; and to the Honorable Ted Stevens and the Honorable Frank
2 Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of
3 the Alaska delegation in Congress.



UNITED FISHERMEN OF ALASKA

211 Fourth Street, Suite 112
Juneau, Alaska 99801
907/586-2820
Fax: 907/463-2545

February 22, 1995

The Honorable Alan Austerman, Chair
and Members of the House Special Committee on Fisheries
Alaska State House of Representatives
The Capitol Building, Room 434
Juneau, Alaska 99801-1182

Dear Chairman Austerman and Committee Members:

United Fishermen of Alaska (UFA) is comprised of 22 major fishing associations that harvest the bulk of salmon, herring, halibut, sablefish, and crab in waters off the coast of Alaska. At this time, UFA wishes to comment on HJR 23, a resolution relating to the Western Alaska Community Development Quota Program (CDQ's).

UFA is aware that the North Pacific Fishery Management Council (NPFMC) is developing a comprehensive rationalization plan that will incorporate CDQ's to set aside portions of the total allowable catches of crab and groundfish species in the Bering Sea to Western Alaska communities.

In addition, the North Pacific Fishery Management Council is moving to reauthorize the inshore/offshore programs for the Bering Sea and the Gulf of Alaska and the CDQ Program in the Bering Sea pollock fishery.

The United States Congress has also recently offered legislation in the 104th Congress - H.R. 39 and S. 39 - that will establish a new national standard providing that "Conservation and management measures shall take into account the importance of the harvest of fishery resources to fishery dependent communities."

UFA recognizes the socio-economic importance of the existing CDQ program in the Bering Sea communities and the importance of the existing inshore/offshore programs to coastal communities of both the Bering Sea and the Gulf of Alaska.

Therefore, UFA endorses the reauthorization of the existing CDQ program in the Bering Sea pollock fishery and the existing inshore/offshore programs for both the Bering Sea and the Gulf of Alaska.

United Fishermen of Alaska wishes to reiterate its position that it does not support expansion of the CDQ program to fisheries in the Gulf of Alaska.

MEMBER ORGANIZATIONS

Alaska Crab Coalition • Alaska Longline Fishermen's Association • Alaska Trollers Association • Area K Seiners Association
Bering Sea Fishermen's Association • Bristol Bay Driftnetters Association • Concerned Area "M" Fishermen
Cook Inlet Aquaculture Association • Cordova District Fishermen United • Kenai Peninsula Fishermen's Association
North Pacific Fisheries Association • Northern Southeast Regional Aquaculture Association • Peninsula Marketing Association
Petersburg Vessel Owners Association • Prince William Sound Aquaculture Corporation • Purse Seine Vessel Owners Association
Seafood Producers Cooperative • Southeast Alaska Seiners Association • Southern Southeast Regional Aquaculture Association
United Cook Inlet Drift Association • Western Alaska Cooperative Marketing Association

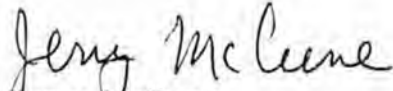
The Honorable Alan Austerman, Chair
and Members of the House Special Committee on Fisheries
February 22, 1995
Page Two

And, furthermore, United Fishermen of Alaska wishes to reiterate its position that, at this time, it does not support the expansion of the CDQ program to fully developed fisheries off the coast of Alaska.

In conclusion, UFA respectfully requests that the Alaska State Legislature give careful consideration to our views on this sensitive and important subject. Representatives of UFA stand ready to assist you in giving helpful focus to the concept of fishery dependent communities.

I have enclosed a copy of UFA's Resolution 95-1 for your information and files.

Sincerely,


Jerry McCune
UFA President

cc: The Honorable Tony Knowles, Governor of Alaska
The Honorable Ted Stevens, U.S. Senate
The Honorable Frank Murkowski, U.S. Senate
The Honorable Don Young, U.S. House of Representatives
UFA Board of Directors



UNITED FISHERMEN OF ALASKA

211 Fourth Street, Suite 112
Juneau, Alaska 99801
907/586-2820
Fax: 907/463-2545

RESOLUTION OF UNITED FISHERMEN OF ALASKA

RESOLUTION 95-1

COMMUNITY DEVELOPMENT QUOTAS AND INSHORE/OFFSHORE PROGRAMS.

WHEREAS, United Fishermen of Alaska is comprised of 22 major fishing associations that harvest the majority of salmon, herring, halibut, sablefish, and crab in waters off the coast of Alaska; and,

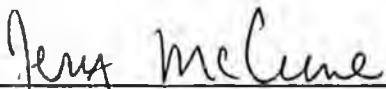
WHEREAS, United Fishermen of Alaska recognizes the socio-economic importance of the existing Community Development Quota (CDQ) program in the pollock fishery and the inshore/offshore programs to coastal communities of both the Bering Sea and the Gulf of Alaska; and,

WHEREAS, United Fishermen of Alaska endorses the reauthorization of the CDQ program in the Bering Sea pollock fishery and the existing inshore/ offshore programs for both the Bering Sea and the Gulf of Alaska;

NOW, THEREFORE, BE IT RESOLVED that United Fishermen of Alaska wishes to reiterate its position that it does not support expansion of the CDQ program to fisheries in the Gulf of Alaska; and,

THEREFORE, BE IT FURTHER RESOLVED that United Fishermen of Alaska wishes to reiterate its position that, at this time, it does not support the expansion of the CDQ program to fully developed fisheries off the coast of Alaska.

ADOPTED this 3rd day of February 1995.



Jerry McCune, UFA President

ATTEST:



Rich Davis, UFA Secretary-Treasurer

MEMBER ORGANIZATIONS

Alaska Crab Coalition • Alaska Longline Fishermen's Association • Alaska Trollers Association • Area K Seiners Association
Bering Sea Fishermen's Association • Bristol Bay Driftnetters Association • Concerned Area "M" Fishermen
Cook Inlet Aquaculture Association • Cordova District Fishermen United • Kenai Peninsula Fishermen's Association
North Pacific Fisheries Association • Northern Southeast Regional Aquaculture Association • Peninsula Marketing Association
Petersburg Vessel Owners Association • Prince William Sound Aquaculture Corporation • Purse Seine Vessel Owners Association
Seafood Producers Cooperative • Southeast Alaska Seiners Association • Southern Southeast Regional Aquaculture Association
United Cook Inlet Drift Association • Western Alaska Cooperative Marketing Association

REPRESENTATIVE ALAN AUSTERMAN Alaska State Legislature

P.O. Box 2368, Kodiak, Alaska 99615 (907) 486-5930 • Session: State Capitol, Juneau, Alaska 99801 465-2487

SPONSOR STATEMENT

CSHJR 23 (FSH) - "NORTH PACIFIC MANAGEMENT COUNCIL'S
INSHORE/OFFSHORE ALLOCATIONS AND THE WESTERN ALASKA
COMMUNITY DEVELOPMENT QUOTA PROGRAM."

by Rep. Alan Austerman

House Joint Resolution 23 asks the North Pacific Fishery Management Council (Council) to reauthorize the inshore/offshore allocations and the Community Development Quota (CDQ) program before they expire at the end of this year.

The inshore/offshore allocation stipulates that 35% of the pollock in the Bering Sea and 100% of the pollock in the Gulf of Alaska be brought ashore to processing facilities. The CDQ program developed a partnership between western Alaska communities and the multimillion-dollar Bering Sea groundfish industry. The economic successes of these programs are crucial to the small communities throughout western and southwest Alaska.

Extending the inshore/offshore allocation and the pollock CDQ program will preserve stability in the groundfish industry during the period required for the Council to develop a comprehensive rationalization plan. The inshore/offshore allocation and pollock CDQ's were initially passed to serve as a bridge to comprehensive rationalization. It has taken the Council longer than anticipated to accomplish its goals.

STATE OF ALASKA

DEPARTMENT OF FISH AND GAME

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

P.O. BOX 25526
JUNEAU, ALASKA 99802-5526
PHONE: (907) 465-4100

Comments of the Alaska Department of Fish and Game on HJR 23

The CDQ allocation was instituted when the North Pacific Fishery Management Council (NPFMC) approved a four-year Inshore/offshore allocation of pollock. Pollock CDQ fishing began in December 1992, but is scheduled to sunset at the end of 1995, unless the NPFMC rolls the program over for a three-year extension while they complete work on a groundfish and crab limited entry program.

A smaller, permanent CDQ program for Bering Sea halibut and sablefish was also passed by NPFMC as part of an IFQ program for those two species. Most of the CDQ halibut will be caught by local skiff fishermen beginning April 1. The halibut program also provides an example of the non-economic benefits that may be associated with CDQ programs when the resource involved is of cultural significance.

The State of Alaska is the main monitoring agency for the CDQ programs. Three departments share responsibility of ensuring the groups follow state and federal regulations. The state also is responsible for allocating portions of the CDQ quota between the established CDQ groups which represent 56 western Alaska communities historically reliant on the Bering Sea resources.

The Bering Sea groundfish and crab fisheries are extremely capital intensive-industrial fisheries. The Council has began a program of Comprehensive Rationalization to end the open access nature of these fisheries. The main qualifying criteria being considered by the council relies on previous catch history or participation in the Bering Sea fisheries.

This criterion eliminates Western Alaskans, who have not had the opportunity to participate. CDQ communities have historically not had access to the capital necessary to participate in these industrial fisheries in their own back yard. Additionally, the quantities of fish caught and processed are immense, and the price paid per pound only becomes profitable when huge volumes are landed. Thus making it impossible for local small boat owners to have participated and gained catch history.

The inclusion of a CDQ allocation under the council's comprehensive rationalization program will (1) allow the council to move forward with limitation and reduction of the industrial sectors; and (2) provide opportunities to residents who are proximate to, and historically reliant upon the Bering Sea resources, but have been

functionally excluded from commercial participation.

To date, the six pollock CDQ groups have benefitted tremendously from the program. Harbors, docks, vessels and other facilities have been built by CDQ groups which benefit the whole Bering Sea fishing industry. Large numbers of villagers have found work on factory trawlers and processing plants. More have been trained to become fishers and are catching cod, halibut, sablefish and crab from CDQ boats. These investments in human and physical capital have already provided enormous benefits to residents of Western Alaska, but the initial emphasis on infrastructure development is not complete. When this infrastructure is harnessed to sustain long-term participation in the fisheries off Alaska, the benefits will be even greater. Therefore, CDQs should be continued and expanded to include more species.

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. HJR 23

Revision Date: _____ Dept. Affected: Fish and Game
 Title: Community Development Fishing Quotas BRU: Commercial Fishing Management and De
 Component: Fisheries Management
 Sponsor: Rep. Austerman
 Requester: House Fisheries COMPONENT SERIAL NO. 1941

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

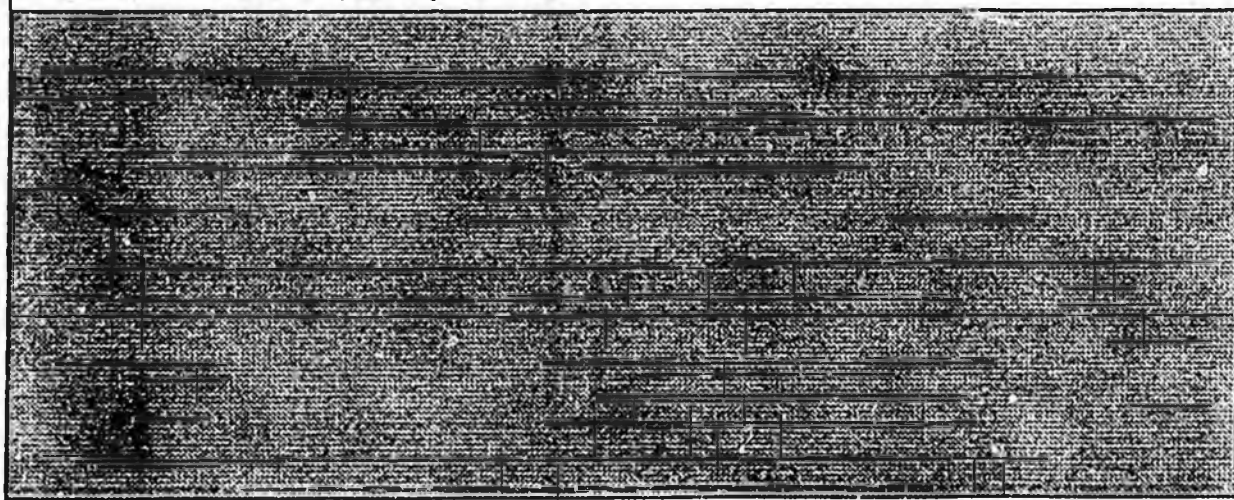
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: (Attach a separate page if necessary)



Prepared by: Geron Bruce *GB*
 Division: Commissioner's Office
 Approved by Commissioner: *Frank A.*
 Agency: Fish and Game

Phone: 485-6143
 Date: 2/5/95
 Date: 2-6-95

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HOUSE COMMITTEE REPORT

(7)
Date Referred: March 9, 1995

FURTHER REFERRALS:

Date of Committee Action: 3-22-95

The LABOR AND COMMERCE Committee considered:

HJR 23

HOUSE JOINT RESOLUTION NO. 23

COMMUNITY DEVELOPMENT FISHING QUOTAS

Relating to the Western Alaska Community Development Quota Program and the North Pacific Fishery Management Council Comprehensive Rationalization Program.

recommends it be replaced with the following committee substitute CS HJR 23 (FSH) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____ APPROVES PREVIOUS: (Dept/Date) _____
 fiscal note(s) _____ fiscal note(s) _____
 zero fiscal note(s) _____ zero fiscal note(s) F&G

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>			✓	
<i>[Signature]</i>	✓			

CHAIR'S SIGNATURE *[Signature]*

HR

12

CS FOR HOUSE RESOLUTION NO. 12(L&C)
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered:

Referred:

Sponsor(s): REPRESENTATIVES WILLIAMS, B.Davis

A RESOLUTION

1 Supporting the collective bargaining agreement between the University of Alaska
2 and the Alaska Community Colleges' Federation of Teachers.

3 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES:

4 WHEREAS the University of Alaska and the Alaska Community College Federation
5 of Teachers Local 2404, AFT, AFL-CIO, representing Alaska Community College teachers
6 entered into a collective bargaining agreement that was the subject of arbitration; and

7 WHEREAS an arbitrator ruled that under the contract, members of the collective
8 bargaining unit were entitled to a three percent salary increase; and

9 WHEREAS, in fiscal year 1995, the legislature funded appropriations for salaries for
10 the University of Alaska that included salaries for teachers who are members of the Federation
11 of Teachers Local 2404, AFT, AFL-CIO, without rejecting the salary increase for members
12 of Local 2404; and

13 WHEREAS the University of Alaska has asserted that it is not obligated to pay the
14 increase because the legislature did not specifically appropriate money for that purpose;

15 BE IT RESOLVED by the House of Representatives that the University of Alaska
16 should be held obligated to pay the three percent salary increase awarded by the arbitrator.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CS HR 432 (L&C)

Title: Supporting the collective bargaining agreement between UA and ACEFT
Sponsor: Rep Williams
Requestor: _____

Dept. Affected: University of Alaska
BRU: _____
Components: _____
Serial #: _____

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (THOUSANDS OF DOLLARS)

General Fund						
Federal Fund						
Other						
TOTAL	0	0	0	0	0	0

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

See attached analysis

Prepared by:

Pete Kott
Representative Pete Kott
Chair, House L&C Committee

Date: 3-25-96

Phone: 465-3777

Phone: _____

Alaska State Legislature



Representative William K. Williams

Committees:

House Resources
Co-Chairman

World Trade &
State Federal Relations

Transportation

Rules

Oil & Gas

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Juneau, AK 99801-1182
(907) 465-3424
Fax (907) 465-3793

In Ketchikan:
352 Front Street
Ketchikan, AK 99901
(907) 247-4672
Fax (907) 225-8546

Sponsor Statement

House Resolution Number 12

I introduced House Resolution 12 on behalf of the Alaska Community College Federation of Teachers.

It is my understanding that on May 8, 1992 the University of Alaska Board of Regents approved a Collective Bargaining Agreement between the University of Alaska and the ACCFT.

In June of 1993, through a change in University policy, the Collective Bargaining Agreement was compromised. An April 1995 arbitration decision ruled the original Collective Bargaining Agreement should be fulfilled.

I am asking that the legislature support the ruling of the arbitrator.

HR 12 - Supporting the Collective Bargaining Agreement Between the University of Alaska and the Alaska Community Colleges' Federation of Teachers

Reference 1 UA/ACCFT Arbitration Award - April 14, 1995

"The University of Alaska prevails with regard to the issues of Program Assessment, Financial Exigency and Campus Governance; the Union prevails with regard to the issue of Compensation. Therefore, the University shall pay the bargaining unit members the pay increase provided by the collective bargaining agreement."

Reference 2 UA/ACCFT Collective Bargaining Agreement

Article 7.1 Salaries

- A. Faculty Members shall be compensated in a manner consistent with the provisions of Regents Policy and University Regulation 04.05.01 - 03 in effect as of the date of this Agreement, except that any compensation increases shall be subject to legislative appropriations in accordance with the provisions of As. 23.40.215 and shall be requested separately from compensation increases requested for other employees of the University. (emphasis added)
- B. The University agrees to request the same level of salary increase for Faculty Members as is requested of the Legislature for other University employees. If the University grants other University employees salary increases but does not receive an appropriation to fund salary increases for Faculty Members at the same level, the University agrees to submit to the Legislature at the beginning of the next regular session following the increase for University employees an amount necessary to permit Faculty Members to receive a salary increase of the same level received by University employees.

Article 12.5 Legislative Appropriations

- A. No legislative appropriation requested by the University, with regard to funding this Agreement, shall be made without prior discussion with the Union pursuant to Article 11. The University shall give adequate notice to the Union of such requests as to provide reasonable response time from the Union. The University shall request and actively support full funding of this Agreement.
- B. It is agreed by and between the parties that any provision of this Agreement requiring legislative action to permit its implementation, by amendment of law or by providing additional funds therefore, shall not become effective until the appropriate legislative body has given approval. (emphasis added)

Reference 3 AS 23.40.215 - State Employee Collective Bargaining Law

Sec. 23.40.215 Funding and legislative approval.

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: February 12, 1996

FURTHER REFERRALS: Labor and Commerce

Date of Committee Action: 3/21/96

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

HR 12

HOUSE RESOLUTION NO. 12

UNIV. COLLECTIVE BARGAINING CONTRACT

Supporting the collective bargaining agreement between the University of Alaska and the Alaska Community Colleges' Federation of Teachers.

recommends it be replaced with the following committee substitute _____ the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal note(s) University

fiscal note(s) _____

zero fiscal note(s) _____

zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Nancy Pataky</i>			<input checked="" type="checkbox"/>	
<i>Carla Breda</i>			<input checked="" type="checkbox"/>	
<i>John K. Johnson</i>			<input checked="" type="checkbox"/>	
<i>John K. Johnson</i>	<input checked="" type="checkbox"/>			
<i>John Bruce</i>	<input checked="" type="checkbox"/>			

CHAIR'S SIGNATURE *Carla Breda*

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



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