



LAWS OF ALASKA

1972

Source

Chapter No.

CSHB 549 am FCC

156

AN ACT

Providing for tuition grants to students attending institutions of higher education in Alaska; and providing for an effective date.

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

- * Section 1. AS 14.40.751 is amended to read:

ARTICLE 9. SCHOLARSHIP LOANS AND TUITION GRANTS.

Sec. 14.40.751. LOAN AND TUITION FUNDS CREATED.

(a) There is created a scholarship revolving loan fund as an account in the general fund. The fund shall be used to make scholarship loans to students selected under secs. 751 - 806 of this chapter.

(b) There is created a tuition grant fund as an account in the general fund. The fund shall be used to make tuition grants to students selected under secs. 751 - 806 of this chapter.

- * Sec. 2. AS 14.40.753(a) is amended to read:

(a) There is created the student loan and tuition grant selection committee composed of seven members appointed by the governor. The committee is composed of the commissioner of education and at least one undergraduate student, one person employed as a high school counselor, one person from a minority group and one person representing the field of vocational-technical training. No member may be the president or a senior administrative officer of a college or university. Members serve at the pleasure of the governor. The committee shall elect its chairman. The commissioner of education shall act as executive secretary of the committee. The Department of Education is charged with administering the program established by this chapter.

* Sec. 3. AS 14.40.755(b) is amended to read:

(b) A person whose loan or grant application is not recommended or presented to the committee by the executive secretary may appeal to the selection committee through the chairman of the committee and the committee shall consider the application.

* Sec. 4. AS 14.40.763(f) is amended to read:

(f) Interest on a loan given under secs. 751 - 806 of this chapter is at the rate of five per cent.

* Sec. 5. AS 14.40 is amended by adding new sections to read:

Sec. 14.40.776. TUITION GRANTS. (a) The executive secretary of the selection committee shall award a tuition grant to a student in an amount up to the difference between (1) the cost, in a city where there is both a four-year state university and a four-year private university or in a city where there is both a two-year state community college and a two-year private college, for the operation of the state institution on a full-time student per academic year basis, and (2) the tuition paid by the student at the state institution in those locations, but in no case may the amount exceed \$1,400. The amount is to be applied by the student toward his tuition at the private university or college in which he enrolls.

(b) The computation of the cost for the operation of the state institution on a full-time student per academic year basis under (a) of this section may not include construction or capital improvement costs, debt service and expenditures for research and public service functions.

Sec. 14.40.781. LIMITATION ON GRANTS. No grants may be made under sec. 776 of this chapter for any portion of tuition which would otherwise be paid under the terms of a federal grant program.

Sec. 14.40.786. CONDITIONS OF GRANTS. (a) Proceeds from grants may be used only for tuition at a college or university in Alaska accredited by the Northwest Association of Secondary and Higher Schools. If payment is made by issuing a state warrant in the amount of the grant, it shall be paid to the order, jointly, of the student and the private university or college in which he enrolls to ensure that the grant is used solely for tuition.

(b) Before any funds for tuition grants are disbursed, the commissioner of administration and the executive secretary of the selection committee shall assure themselves that at least 22.5 per cent of the annual operating budget of a private university or college in which students receiving tuition grants are enrolled is funded from nonpublic sources (private gifts and grants), provided if a private university or college has less than 300 full-time students, the percentage required shall be 15 per cent funding from nonpublic sources. Determination of the required 15 or 22.5 per cent funding from nonpublic sources shall be made by the commissioner and executive secretary as of

July 1, 1973, and as of July 1, for each succeeding year.

(c) No private university or college in which students receiving tuition grants are enrolled may grant remission of tuition to any student unless more than 22.5 per cent of its annual operating budget is funded from nonpublic sources (private gifts and grants), provided if a private university or college has less than 300 full-time students, the percentage required shall be 15 per cent funding from nonpublic sources. The 15 or 22.5 per cent funding from nonpublic sources shall apply as of July 1, 1973 and as of July 1, for each succeeding year.

(d) No private university or college in which students receiving tuition grants are enrolled may enter into contractual agreements under the terms of which a student covered by the contract pays less than the published tuition.

(e) If a student is awarded, or holds, both a scholarship loan and a tuition grant under secs. 751 - 806 of this chapter, no portion of the scholarship loan may be considered a grant under sec. 763(j) of this chapter.

Sec. 14.40.791. ELIGIBILITY OF STUDENTS. A student may apply for a grant under sec. 776 of this chapter if

(1) he is a resident of Alaska, and

(2) he is either

(A) accepted for admission as a full-time or part-time student in an associate, baccalaureate, or graduate degree program; or

(B) enrolled as a full-time or part-time student in an associate, baccalaureate or graduate degree program.

Sec. 14.40.796. APPLICATION AND CERTIFICATION. Application for tuition grants must be submitted to the executive secretary. The application deadline for a school year shall be determined by the selection committee. The executive secretary of the selection committee may award grants only after the institution of higher education has certified that the student has enrolled in a full-time or part-time course of study in an associate, baccalaureate or graduate degree program. The selection committee shall determine the appropriate formula for awarding tuition grants to part-time students, and the committee shall be guided by the provisions of sec. 776 of this chapter in making that determination: the difference between (1) the cost of operation for the state institution per semester credit hour and (2) the fee paid by the student at the state institution per semester credit hour, but not to exceed an appropriate portion of \$1,400.

Sec. 14.40.801. FISCAL AND BUSINESS MANAGEMENT PRACTICES. (a) The executive secretary may decline to award tuition grants under sec. 776 of this chapter to students attending an institution if he finds that the fiscal and business management practices of the institution

are inadequate in comparison with the practices of similar institutions. However, an institution whose fiscal and business management practices are found inadequate may appeal the determination of the executive secretary to the selection committee through the chairman of the committee.

(b) Private universities and colleges in which students receiving tuition grants are enrolled are subject to both pre- and post-expenditure audit by the Legislative Budget and Audit Committee or by the Department of Administration.

(c) Private universities and colleges in which students receiving tuition grants are enrolled and which are signatory to a consortium agreement with the University of Alaska must abide by a decision rendered by the Legislative Council when disagreements arise or exist between the parties.

(d) Before any funds for tuition grants are disbursed, the commissioner of administration and the executive secretary of the selection committee shall determine that no student is receiving a grant to pay for a required course or courses in his area of study that are offered under the consortium.

Sec. 14.40.806. DEFINITIONS. In secs. 751 - 806 of this chapter

(1) "career education" means a course or program in vocational-technical training or education approved by the Department of Education;

(2) "full-time student" means a student who is enrolled and is in regular attendance at classes for at least 12 semester hours of credit during the semester;

(3) "part-time student" means a student who is enrolled and is in regular attendance at classes for at least two but less than twelve semester hours of credit during the semester;

(4) "resident" means a person domiciled in Alaska who has resided in Alaska for at least two years before an application for a grant or loan is made under secs. 751 - 806 of this chapter;

(5) "school year" means the period from September 1 of one year through August 31 of the following year.

* Sec. 6. AS 14.40.773 is repealed.

* Sec. 7. This Act takes effect July 1, 1972.