

SENATE BILL NO. 208

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-NINTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Introduced: 3/28/16
Referred: Finance

A BILL

FOR AN ACT ENTITLED

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

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

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

5 (e) The commission may

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

7 to

8 (A) carry out the purposes of

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

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

11 (ii) AS 14.43.910 and 14.43.920 as they relate to the
12 purposes of AS 14.43.091 - 14.43.325, 14.43.510 - 14.43.750

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

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

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

4 (C) establish standards for the

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

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

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

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

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

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

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

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

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

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

1 purpose of assessing education outcomes.

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

3 (a) The Alaska performance scholarship program is established to provide
4 scholarships for students who graduate from high school on or before July 15,
5 2016, [GRADUATES] who are Alaska residents to attend a qualified postsecondary
6 institution in the state.

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

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

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

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

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

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

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

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

25 (5) has achieved a minimum score on a

26 (A) college entrance examination; or

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

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

1 certificate or degree; **and**

2 **(7) applies to the commission on or before July 15, 2016.**

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

4 (b) A student's eligibility for a scholarship terminates six years after the date
5 the student graduates from high school unless the student qualifies for an extension of
6 time allowed by the department by regulation. **The department may not extend a**
7 **student's eligibility for a scholarship past July 15, 2022.**

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

9 (a) A religious or other private school that elects to comply with AS 14.45.100
10 - 14.45.130 shall maintain permanent student records reflecting immunizations,
11 physical examinations, standardized testing, academic achievement, **and** courses taken
12 at the school [, AND LEVEL OF ELIGIBILITY FOR AN ALASKA
13 PERFORMANCE SCHOLARSHIP UNDER AS 14.43.810 - 14.43.849].

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

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

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

27 * **Sec. 7.** AS 14.03.113 is repealed July 16, 2016.

28 * **Sec. 8.** AS 14.43.400, 14.43.405, 14.43.406, 14.43.415, 14.43.420, 14.43.810, 14.43.820,
29 14.43.825, 14.43.830, 14.43.840, 14.43.849, 14.43.915; and AS 37.14.750(c) are repealed
30 July 16, 2022.

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

1 read:

2 **APPLICABILITY.** The Alaska Commission on Postsecondary Education may not
3 award an Alaska performance scholarship under AS 14.43.810 - 14.43.849 to a new applicant
4 who first applies for a scholarship after July 15, 2016.

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

7 **TRANSITION: REGULATIONS.** The Department of Education and Early
8 Development, the Department of Labor and Workforce Development, and the Alaska
9 Commission on Postsecondary Education may adopt regulations necessary to implement
10 changes made to their respective authorities by this Act. The regulations take effect under
11 AS 44.62 (Administrative Procedure Act), but not before the effective date of the law being
12 implemented.

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

15 **RETROACTIVITY.** Sections 2 - 4 of this Act are retroactive to July 15, 2016.

16 * **Sec. 12.** Sections 1, 5, and 6 of this Act take effect July 16, 2022.

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