

CS FOR SENATE BILL NO. 43(EDC)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - FIRST SESSION

BY THE SENATE EDUCATION COMMITTEE

Offered: 2/16/11

Referred: Finance

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act renaming the Alaska performance scholarship and relating to the scholarship;
2 relating to education tax credits; relating to AlaskAdvantage education grant funding
3 and to Alaska performance scholarship funding and establishing an account and funds
4 for those purposes; amending funding for the Alaska capital income fund; making
5 conforming amendments; providing for an effective date by amending the effective date
6 in sec. 57, ch. 92, SLA 2010; and providing for an effective date."

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

8 * **Section 1.** AS 14.03.113, as enacted by sec. 1, ch. 14, SLA 2010, is amended to read:

9 **Sec. 14.03.113. District determination of scholarship eligibility.** A school
10 district shall determine whether a student who graduates from a high school in the
11 district is eligible for an award of an Alaska performance [MERIT SCHOLARSHIP
12 PROGRAM] scholarship under AS 14.43.810 - 14.43.849. If a student is eligible, the
13 district shall state in the student's permanent record the highest level of funding for

1 which the student is eligible. A district shall provide a student with an opportunity to
2 request that the district correct an error in the eligibility determination.

3 * **Sec. 2.** AS 14.43.810, as enacted by sec. 5, ch. 14, SLA 2010, is amended to read:

4 **Sec. 14.43.810. Alaska performance [MERIT] scholarship program**
5 **established; regulations.** (a) The Alaska performance [MERIT] scholarship program
6 is established to provide scholarships for high school graduates who are Alaska
7 residents to attend a qualified postsecondary institution in the state.

8 (b) The department shall, in consultation with the commission, adopt
9 regulations necessary to implement the scholarship program. The commission shall
10 administer the daily operations of the scholarship program and financing of the
11 scholarship program, including the procedures for applying for the scholarships,
12 establishing standards for and ensuring continuing compliance with programmatic
13 standards, and requiring students to apply for other nonloan financial aid, consistent
14 with federal law.

15 * **Sec. 3.** AS 14.43.820(a), as enacted by sec. 5, ch. 14, SLA 2010, is amended to read:

16 (a) Subject to appropriation, the commission shall award an Alaska
17 performance [MERIT SCHOLARSHIP PROGRAM] scholarship to an applicant who

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

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

21 (3) has completed a core academic curriculum in high school that
22 includes

23 (A) four years of mathematics, four years of language arts, four
24 years of science, and four years of social studies, one year of which may
25 include a foreign language, an Alaska Native language, fine arts, or cultural
26 heritage; or

27 (B) three years of mathematics, four years of language arts,
28 three years of science, four years of social studies, and two years of a foreign
29 language or an Alaska Native language;

30 (4) has a minimum grade-point average in high school of 2.5 or higher;
31 the department shall set by regulation minimum requirements based on a substantially

1 similar standard for districts that do not assign grades;

2 (5) has achieved a minimum score on a

3 (A) college entrance examination; or

4 (B) standardized examination designed to measure a student's
5 level of preparedness to make the transition to work, as selected by the
6 department; and

7 (6) is enrolled in good standing in a course of study at a qualified
8 postsecondary institution in this state that is intended to result in the award of a
9 certificate or degree.

10 * **Sec. 4.** AS 14.43.825(a), as enacted by sec. 5, ch. 14, SLA 2010, is amended to read:

11 (a) The maximum annual awards for the Alaska **performance** [MERIT
12 SCHOLARSHIP PROGRAM] scholarships are as follows:

13 (1) the first award level is \$4,755 and requires a 3.5 grade-point
14 average or above and a very high minimum score on a college entrance examination;

15 (2) the second award level is \$3,566 and requires a 3.0 grade-point
16 average or above and a high minimum score on a college entrance examination;

17 (3) the third award level is \$2,378 and requires a 2.5 grade-point
18 average or above and a moderately high minimum score on a college entrance
19 examination.

20 * **Sec. 5.** AS 14.43.825(f), as enacted by sec. 5, ch. 14, SLA 2010, is amended to read:

21 (f) Payment of a scholarship is subject to appropriation. [IF INSUFFICIENT
22 FUNDS ARE APPROPRIATED TO PAY ALL ELIGIBLE SCHOLARSHIPS, THE
23 COMMISSION SHALL PAY EXISTING AWARDS ON A PRO RATA BASIS.]

24 * **Sec. 6.** AS 14.43.830, as enacted by sec. 5, ch. 14, SLA 2010, is repealed and reenacted to
25 read:

26 **Sec. 14.43.830. Qualified postsecondary institution.** (a) A university,
27 college, or career and technical school that is physically located in the state is a
28 qualified postsecondary institution for purposes of awarding an Alaska performance
29 scholarship if the institution

30 (1) is either

31 (A) a college or university that is

1 (i) authorized to operate in the state under AS 14.48.020
2 or is exempt from authorization under AS 14.48.030(b)(1); and

3 (ii) accredited by a regional or national accreditation
4 association; or

5 (B) included on a list of certified career and technical school
6 programs received from the Department of Labor and Workforce
7 Development; the commission shall publish the list on or before June 30 of the
8 year preceding enrollment;

9 (2) has an advisory program established for incoming students that
10 provides counseling related to course selection and career choice; and

11 (3) provides courses and credits that will result in the issuance of a
12 degree or certificate available at the institution within a period of time customary for
13 that degree or certificate.

14 (b) The Department of Labor and Workforce Development shall, in
15 consultation with the Department of Education and Early Development, adopt
16 regulations under AS 44.62 (Administrative Procedure Act) establishing criteria under
17 which the Department of Labor and Workforce Development shall certify career and
18 technical school programs in the state as eligible to participate in the Alaska
19 performance scholarship program.

20 * **Sec. 7.** AS 14.43.840, as enacted by sec. 5, ch. 14, SLA 2010, is amended to read:

21 **Sec. 14.43.840. Report to the legislature.** (a) To the extent permitted under
22 law, the department, the commission, the University of Alaska, and the Department of
23 Labor and Workforce Development shall share data necessary to prepare public
24 reports regarding the scholarship program.

25 (b) Not more than 10 days after the convening of each regular legislative
26 session, the department, the commission, the University of Alaska, and the
27 Department of Labor and Workforce Development shall present an annual report to
28 the public, the governor, and the legislature containing information of public interest
29 regarding the scholarship program, including

30 (1) the number of applicants and number and types of scholarships
31 awarded;

1 (2) the dollar amount of scholarships awarded in past years and the
2 dollar amount expected to be awarded for the next year; [AND]

3 (3) data and trends in the data regarding high school and postsecondary
4 student performance, programmatic changes, and retention and graduation rates over
5 time; and

6 (4) an assessment of the statewide centralized correspondence
7 study program as it relates to the scholarships, including Internet access
8 capabilities, plans to upgrade the quality and quantity of distance delivery of
9 education, and the availability by district of correspondence courses required for
10 the performance scholarship.

11 * **Sec. 8.** AS 14.43 is amended by adding a new section to read:

12 **Sec. 14.43.915. AlaskAdvantage education grant and Alaska performance**
13 **scholarship award fund.** (a) The AlaskAdvantage education grant and Alaska
14 performance scholarship award fund is established. The fund consists of

15 (1) appropriations for AlaskAdvantage education grant awards under
16 AS 14.43.400 - 14.43.420 and Alaska performance scholarship awards under
17 AS 14.43.810 - 14.43.849;

18 (2) appropriations from the AlaskAdvantage education grant and
19 Alaska performance scholarship investment fund under AS 37.14.750 - 37.14.790;

20 (3) money appropriated to the fund under AS 37.13.145(d); and

21 (4) income earned on the fund and appropriated to the fund.

22 (b) The commission may use money in the fund appropriated to pay grants
23 awarded under AS 14.43.400 - 14.43.420 and scholarships for students under
24 AS 14.43.810 - 14.43.849. Money appropriated to the fund may be expended without
25 further appropriation. The money in the fund may be expended only in awarding
26 grants under AS 14.43.400 - 14.43.420 and scholarships under AS 14.43.810 -
27 14.43.849.

28 (c) The amount annually available to the commission for payment of grants
29 awarded under AS 14.43.400 - 14.43.420 may not be less than one-third of the amount
30 awarded for scholarships under AS 14.43.810 - 14.43.849, except to the extent that the
31 total amount necessary to pay all eligible grant applicants in a fiscal year is less than

1 that amount.

2 (d) If insufficient funds are appropriated to pay all eligible grants and
3 scholarships, the commission shall allocate one-third of the balance of the fund
4 established under this section for payment of grant awards based on the highest to
5 lowest financial need and, if the balance of the fund established under AS 37.14.750
6 on July 1 is

7 (1) less than \$80,000,000, pay only

8 (A) grants as provided in this subsection; and

9 (B) eligible previously obligated scholarship awards; the
10 awards may be made on a pro rata basis if necessary;

11 (2) \$80,000,000 or more, pay

12 (A) grants as provided in this subsection;

13 (B) eligible previously obligated scholarship awards; and

14 (C) all other scholarship awards on a pro rata basis to be paid
15 out within four years.

16 (e) Money appropriated to the fund does not lapse except after the fourth
17 consecutive fiscal year in which no appropriations have been made to the fund, or all
18 awards have been paid to eligible recipients as provided in this chapter, whichever
19 occurs last.

20 * **Sec. 9.** AS 14.45.130(a), as amended by sec. 7, ch. 14, SLA 2010, is further amended to
21 read:

22 (a) A religious or other private school that elects to comply with AS 14.45.100
23 - 14.45.130 shall maintain permanent student records reflecting immunizations,
24 physical examinations, standardized testing, academic achievement, courses taken at
25 the school, and level of eligibility for an Alaska **performance** [MERIT
26 SCHOLARSHIP PROGRAM] scholarship under AS 14.43.810 - 14.43.849.

27 * **Sec. 10.** AS 21.96.070(a) is amended to read:

28 (a) A taxpayer is allowed a credit against the tax due under AS 21.09.210 or
29 AS 21.66.110 for cash contributions accepted

30 (1) for direct instruction, research, and educational support purposes,
31 including library and museum acquisitions, and contributions to endowment, by an

1 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
2 four-year college accredited by a regional accreditation association;

3 (2) for secondary school level vocational education courses, programs,
4 and facilities by a school district in the state;

5 (3) for vocational education courses, programs, and facilities by a
6 state-operated vocational technical education and training school; [AND]

7 (4) for a facility by a nonprofit, public or private, Alaska two-year or
8 four-year college accredited by a regional accreditation association;

9 **(5) for the Alaska performance scholarship investment fund under**
10 **AS 37.14.750(a); and**

11 **(6) for education, research, rehabilitation, and facilities by an**
12 **institution that is located in the state and that qualifies as a coastal ecosystem**
13 **learning center under the Coastal America Partnership established by the federal**
14 **government.**

15 * **Sec. 11.** AS 37.05.565(a) is amended to read:

16 (a) There is established in the general fund the Alaska capital income fund
17 consisting [OF MONEY DEPOSITED TO THE FUND UNDER AS 37.13.145(d)
18 AND] of appropriations to the fund. The fund shall be invested by the Department of
19 Revenue to yield competitive market rates as provided in AS 37.10.071. Income
20 earned on money in the fund may be appropriated to the fund.

21 * **Sec. 12.** AS 37.07.020(b) is amended to read:

22 (b) In addition to the budget and bills submitted under (a) of this section, the
23 governor shall submit a capital improvements program covering the succeeding six
24 fiscal years. The governor shall also submit a fiscal plan with estimates of significant
25 sources and uses of funds for the succeeding 10 fiscal years. The fiscal plan

26 (1) must include sufficient details to identify

27 (A) significant sources of funds;

28 (B) significant uses of funds, including lump sum projections

29 of

30 (i) operating expenditures;

31 (ii) capital expenditures;

1 (iii) debt service expenditures;

2 (iv) fund capitalizations;

3 (v) appropriations of income of the Alaska permanent
4 fund (art. IX, sec. 15, Constitution of the State of Alaska), if any;

5 (2) must balance sources and uses of funds held while providing for
6 essential state services and protecting the economic stability of the state;

7 (3) must include projected balances of significant funds held in
8 separate accounts, including the budget reserve fund (art. IX, sec. 17, Constitution of
9 the State of Alaska), the public education fund (AS 14.17.300), **the AlaskAdvantage**
10 **education grant and Alaska performance scholarship investment fund**
11 **(AS 37.14.750)**, and the Alaska capital income fund (AS 37.05.565);

12 (4) must set out significant assumptions used in the projections with
13 sufficient detail to enable the legislature to rely on the fiscal plan in understanding,
14 evaluating, and resolving issues of state budgeting, including information that supports
15 major areas of operating increases, such as population demographics that affect the
16 need for particular government services.

17 * **Sec. 13.** AS 37.13.145(d) is amended to read:

18 (d) Notwithstanding (b) of this section, income earned on money awarded in or
19 received as a result of State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court,
20 First Judicial District), including settlement, summary judgment, or adjustment to a
21 royalty-in-kind contract that is tied to the outcome of this case, or interest earned on
22 the money, or on the earnings of the money shall be treated in the same manner as
23 other income of the Alaska permanent fund, except that it is not available for
24 distribution to the dividend fund or for transfers to the principal under (c) of this
25 section, and **may** [SHALL] be annually **appropriated to** [DEPOSITED INTO] the
26 **AlaskAdvantage education grant and Alaska performance scholarship award**
27 **fund (AS 14.43.915). Nothing in this subsection creates a dedicated fund**
28 [ALASKA CAPITAL INCOME FUND (AS 37.05.565)].

29 * **Sec. 14.** AS 37.14 is amended by adding new sections to read:

30 **Article 8A. AlaskAdvantage Education Grant and Alaska Performance Scholarship**
31 **Investment Fund.**

1 **Sec. 37.14.750. AlaskAdvantage education grant and Alaska performance**
2 **scholarship investment fund established.** (a) The AlaskAdvantage education grant
3 and Alaska performance scholarship investment fund is established as a fund of the
4 state. The fund consists of

5 (1) appropriations to the fund;
6 (2) donations to the fund; and
7 (3) income earned on investments of fund assets and appropriated to
8 the fund.

9 (b) The commissioner of revenue shall manage the fund with the goal that the
10 purchasing power of the fund will not diminish over time without regard to additional
11 contributions that may be made to the fund. The commissioner shall invest the assets
12 of the fund in a manner likely to yield at least a five percent real rate of return over
13 time.

14 (c) Nothing in this section creates a dedicated fund.

15 **Sec. 37.14.755. Powers and duties of the commissioner of revenue.** In
16 carrying out the investment duties under AS 37.14.750 - 37.14.790, the commissioner
17 of revenue has the powers and duties set out in AS 37.10.071. The commissioner shall
18 provide reports to the Department of Education and Early Development, the
19 Department of Labor and Workforce Development, and the Alaska Commission on
20 Postsecondary Education on the condition and investment performance of the fund.

21 **Sec. 37.14.760. Use of fund.** As soon as practicable after July 1 of each year,
22 the commissioner of revenue shall determine the average month-end market value of
23 the fund for the immediately preceding three fiscal years. The commissioner shall
24 identify five percent of that amount as available for appropriation by the legislature for
25 appropriation to the AlaskAdvantage education grant and Alaska performance
26 scholarship award fund created under AS 14.43.915 from which the Alaska
27 Commission on Postsecondary Education may award grants under AS 14.43.400 -
28 14.43.420 and scholarships under AS 14.43.810 - 14.43.849. The commissioner shall
29 also report as available for appropriation a running total of amounts previously
30 identified as available for appropriation to the AlaskAdvantage education grant and
31 Alaska performance scholarship award fund but not appropriated.

1 **Sec. 37.14.790. Definitions.** In AS 37.14.750 - 37.14.790, unless the context
2 requires otherwise,

3 (1) "commissioner" means the commissioner of revenue;

4 (2) "fund" means the AlaskAdvantage education grant and Alaska
5 performance scholarship investment fund established in AS 37.14.750(a).

6 * **Sec. 15.** AS 43.20.014(a) is amended to read:

7 (a) A taxpayer is allowed a credit against the tax due under this chapter for
8 cash contributions accepted

9 (1) for direct instruction, research, and educational support purposes,
10 including library and museum acquisitions, and contributions to endowment, by an
11 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
12 four-year college accredited by a regional accreditation association;

13 (2) for secondary school level vocational education courses, programs,
14 and facilities by a school district in the state;

15 (3) for vocational education courses, programs, and facilities by a
16 state-operated vocational technical education and training school; [AND]

17 (4) for a facility by a nonprofit, public or private, Alaska two-year or
18 four-year college accredited by a regional accreditation association;

19 **(5) for the AlaskAdvantage education grant and Alaska**
20 **performance scholarship investment fund under AS 37.14.750(a); and**

21 **(6) for education, research, rehabilitation, and facilities by an**
22 **institution that is located in the state and that qualifies as a coastal ecosystem**
23 **learning center under the Coastal America Partnership established by the federal**
24 **government.**

25 * **Sec. 16.** AS 43.55.019(a) is amended to read:

26 (a) A producer of oil or gas is allowed a credit against the tax due under this
27 chapter for cash contributions accepted

28 (1) for direct instruction, research, and educational support purposes,
29 including library and museum acquisitions, and contributions to endowment, by an
30 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
31 four-year college accredited by a regional accreditation association;

1 (2) for secondary school level vocational education courses, programs,
2 and facilities by a school district in the state;

3 (3) for vocational education courses, programs, and facilities by a
4 state-operated vocational technical education and training school; [AND]

5 (4) for a facility by a nonprofit, public or private, Alaska two-year or
6 four-year college accredited by a regional accreditation association;

7 **(5) for the Alaska performance scholarship investment fund under**
8 **AS 37.14.750(a); and**

9 **(6) for education, research, rehabilitation, and facilities by an**
10 **institution that is located in the state and that qualifies as a coastal ecosystem**
11 **learning center under the Coastal America Partnership established by the federal**
12 **government.**

13 * **Sec. 17.** AS 43.56.018(a) is amended to read:

14 (a) The owner of property taxable under this chapter is allowed a credit
15 against the tax due under this chapter for cash contributions accepted

16 (1) for direct instruction, research, and educational support purposes,
17 including library and museum acquisitions, and contributions to endowment, by an
18 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
19 four-year college accredited by a regional accreditation association;

20 (2) for secondary school level vocational education courses, programs,
21 and facilities by a school district in the state;

22 (3) for vocational education courses, programs, and facilities by a
23 state-operated vocational technical education and training school; [AND]

24 (4) for a facility by a nonprofit, public or private, Alaska two-year or
25 four-year college accredited by a regional accreditation association;

26 **(5) for the Alaska performance scholarship investment fund under**
27 **AS 37.14.750(a); and**

28 **(6) for education, research, rehabilitation, and facilities by an**
29 **institution that is located in the state and that qualifies as a coastal ecosystem**
30 **learning center under the Coastal America Partnership established by the federal**
31 **government.**

1 * **Sec. 18.** AS 43.65.018(a) is amended to read:

2 (a) A person engaged in the business of mining in the state is allowed a credit
3 against the tax due under this chapter for cash contributions accepted

4 (1) for direct instruction, research, and educational support purposes,
5 including library and museum acquisitions, and contributions to endowment, by an
6 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
7 four-year college accredited by a regional accreditation association;

8 (2) for secondary school level vocational education courses, programs,
9 and facilities by a school district in the state;

10 (3) for vocational education courses, programs, and facilities by a
11 state-operated vocational technical education and training school; [AND]

12 (4) for a facility by a nonprofit, public or private, Alaska two-year or
13 four-year college accredited by a regional accreditation association;

14 **(5) for the Alaska performance scholarship investment fund under**
15 **AS 37.14.750(a); and**

16 **(6) for education, research, rehabilitation, and facilities by an**
17 **institution that is located in the state and that qualifies as a coastal ecosystem**
18 **learning center under the Coastal America Partnership established by the federal**
19 **government.**

20 * **Sec. 19.** AS 43.75.018(a) is amended to read:

21 (a) A person engaged in a fisheries business is allowed a credit against the tax
22 due under this chapter for cash contributions accepted

23 (1) for direct instruction, research, and educational support purposes,
24 including library and museum acquisitions, and contributions to endowment, by an
25 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
26 four-year college accredited by a regional accreditation association;

27 (2) for secondary school level vocational education courses, programs,
28 and facilities by a school district in the state;

29 (3) for vocational education courses, programs, and facilities by a
30 state-operated vocational technical education and training school; [AND]

31 (4) for a facility by a nonprofit, public or private, Alaska two-year or

1 four-year college accredited by a regional accreditation association;

2 **(5) for the Alaska performance scholarship investment fund under**
 3 **AS 37.14.750(a); and**

4 **(6) for education, research, rehabilitation, and facilities by an**
 5 **institution that is located in the state and that qualifies as a coastal ecosystem**
 6 **learning center under the Coastal America Partnership established by the federal**
 7 **government.**

8 * **Sec. 20.** AS 43.77.045(a) is amended to read:

9 (a) In addition to the credit allowed under AS 43.77.040, a person engaged in
 10 a floating fisheries business is allowed a credit against the tax due under this chapter
 11 for cash contributions accepted

12 (1) for direct instruction, research, and educational support purposes,
 13 including library and museum acquisitions, and contributions to endowment, by an
 14 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
 15 four-year college accredited by a regional accreditation association;

16 (2) for secondary school level vocational education courses, programs,
 17 and facilities by a school district in the state;

18 (3) for vocational education courses, programs, and facilities by a
 19 state-operated vocational technical education and training school; [AND]

20 (4) for a facility by a nonprofit, public or private, Alaska two-year or
 21 four-year college accredited by a regional accreditation association;

22 **(5) for the Alaska performance scholarship investment fund under**
 23 **AS 37.14.750(a); and**

24 **(6) for education, research, rehabilitation, and facilities by an**
 25 **institution that is located in the state and that qualifies as a coastal ecosystem**
 26 **learning center under the Coastal America Partnership established by the federal**
 27 **government.**

28 * **Sec. 21.** Section 8, ch. 14, SLA 2010, is amended to read:

29 TRANSITION: **SCHOLARSHIP** [PROGRAM] STANDARDS AND
 30 IMPLEMENTATION FOR INITIAL SCHOOL YEARS. Notwithstanding any
 31 contrary provision of this Act, the Department of Education and Early Development

1 and the Department of Labor and Workforce Development, after consultation with the
 2 Alaska Commission on Postsecondary Education, may adopt regulations under
 3 AS 44.62 (Administrative Procedure Act) to implement their respective duties under
 4 the Alaska **performance** [MERIT] scholarship program established in AS 14.43.810,
 5 enacted by sec. 5 of this Act, so that a student

6 (1) may be eligible for the **Alaska performance scholarship**
 7 [PROGRAM] even though the student did not fully meet the required core academic
 8 curriculum for the school years beginning July 1, 2010, through June 30, 2014; and

9 (2) who graduated from high school in this state after January 1, 2011,
 10 and before July 1, 2011, and meets eligibility requirements for the **Alaska**
 11 **performance scholarship** [PROGRAM] may apply for a scholarship on or after
 12 January 1, 2011, for enrollment in a program of study beginning on or after July 1,
 13 2011.

14 * **Sec. 22.** AS 21.96.070(a)(5), 21.96.070(a)(6); AS 43.20.014(a)(5), 43.20.014(a)(6);
 15 AS 43.55.019(a)(5), 43.55.019(a)(6); AS 43.56.018(a)(5), 43.56.018(a)(6);
 16 AS 43.65.018(a)(5), 43.65.018(a)(6); AS 43.75.018(a)(5), 43.75.018(a)(6);
 17 AS 43.77.045(a)(5), and 43.77.045(a)(6) are repealed January 1, 2021.

18 * **Sec. 23.** Section 28, ch. 134, SLA 1992, is repealed.

19 * **Sec. 24.** The uncodified law of the State of Alaska is amended by adding a new section to
 20 read:

21 TRANSITION: ALASKADVANTAGE EDUCATION GRANT AND ALASKA
 22 PERFORMANCE SCHOLARSHIP INVESTMENT FUND. (a) The unobligated balance of
 23 the Alaska capital income fund established under AS 37.05.565 shall be transferred to the
 24 AlaskAdvantage education grant and Alaska performance scholarship investment fund
 25 established under AS 37.14.750 on June 30, 2011.

26 (b) Notwithstanding the required calculation to be made by the commissioner of
 27 revenue under AS 37.14.760, enacted by sec. 14 of this Act, for fiscal years 2013 and 2014, as
 28 soon as practicable after July 1 of each year, the commissioner of revenue shall determine the
 29 average month-end market value of the AlaskAdvantage education grant and Alaska
 30 performance scholarship investment fund established under AS 37.14.750, enacted by sec. 14
 31 of this Act, for the immediately preceding fiscal year and identify five percent of that amount

1 as available for appropriation by the legislature to the AlaskAdvantage education grant and
2 Alaska performance scholarship award fund created under AS 14.43.915.

3 * **Sec. 25.** The uncodified law of the State of Alaska is amended by adding a new section to
4 read:

5 TRANSITION: REGULATIONS. The Department of Education and Early
6 Development, the Department of Labor and Workforce Development, the Department of
7 Revenue, and the Alaska Commission on Postsecondary Education may adopt regulations
8 necessary to implement changes made to their respective authorities by this Act. The
9 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before July 1,
10 2011.

11 * **Sec. 26.** The uncodified law of the State of Alaska is amended by adding a new section to
12 read:

13 REVISOR'S INSTRUCTION. The revisor of statutes is instructed to change the
14 heading of

15 (1) Article 12 of AS 14.43 from "Alaska Merit Scholarship Program" to
16 "Alaska Performance Scholarship";

17 (2) AS 14.43.820 from "Alaska merit scholarship program; eligibility" to
18 "Alaska performance scholarship; eligibility."

19 * **Sec. 27.** Section 57, ch. 92, SLA 2010, is amended to read:

20 Sec. 57. Except as provided in sec. 56 of this Act, this Act takes effect
21 January 1, 2021 [2014].

22 * **Sec. 28.** The uncodified law of the State of Alaska is amended by adding a new section to
23 read:

24 RETROACTIVITY. If sec. 24(a) of this Act takes effect after June 30, 2011, sec.
25 24(a) of this Act is retroactive to June 30, 2011.

26 * **Sec. 29.** Sections 24, 25, and 28 of this Act take effect immediately under
27 AS 01.10.070(c).

28 * **Sec. 30.** AS 14.43.830(a)(2) and (3) take effect July 1, 2012.

29 * **Sec. 31.** Except as provided in secs. 29 and 30 of this Act, this Act takes effect July 1,
30 2011.