SENATE CS FOR CS FOR HOUSE BILL NO. 148(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 5/14/24
Referred: Today's Calendar

Sponsor(s): HOUSE EDUCATION COMMITTEE

A BILL

FOR AN ACT ENTITLED

"An Act relating to the head start program; relating to the Alaska performance scholarship program; relating to the insurance tax education credit, the income tax education credit, the oil or gas producer education credit, the property tax education credit, the mining business education credit, the fisheries business education credit, and the fisheries resource landing tax education credit; relating to allocations of funding for the Alaska Workforce Investment Board; relating to grants for technical and vocational education; providing for an effective date by amending the effective date of secs. 1, 2, and 21, ch. 61, SLA 2014; and providing for an effective date."

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

*** Section 1.** AS 14.07.165(a) is amended to read:

(a) The board shall adopt

(1) statewide goals and require each governing body to adopt written

goals that are consistent with local needs;

(2) regulations regarding the application for and award of grants under AS 14.03.125;

(3) regulations implementing provisions of AS 14.11.014(b);

(4) regulations requiring approval by the board before a charter school, state boarding school, or a public school may provide domiciliary services;

(5) regulations establishing standards for an early education program provided by a school district for children who are four and five years of age; the regulations must include

(A) standards for a locally designed, evidence-based program that meets [HEAD START PROGRAM PERFORMANCE STANDARDS AND OTHER] federal standards required for early education programs to receive federal funding;

(B) a requirement that a teacher in charge of a program hold a valid teacher certificate issued under AS 14.20 and

(i) have satisfactorily completed a minimum of six credit hours in early childhood education or complete the minimum credit hours within two years of the date the teacher's employment with the early education program begins; or

(ii) have two or more years of experience teaching kindergarten or another early education program and have completed additional coursework related to reading instruction, as required by the department;

(C) developmentally appropriate objectives for children four and five years of age rather than academic standards appropriate for older children; the objectives must allow school districts to adapt the content of an early education program to be culturally responsive to local communities;

(D) accommodations for the needs of all early education children and their families regardless of socioeconomic circumstances; and

(E) standards for day in session requirements appropriate for children four and five years of age;

(6) regulations establishing standards for day in session requirements appropriate for kindergarten students.

*** Sec. 2.** AS 14.38.010 is amended by adding a new subsection to read:

(b) The department shall make a grant to each eligible head start agency operating a head start program in the state under 42 U.S.C. 9831 - 9852c in an amount equal to the amount of the head start program's nonfederal contributions required under 42 U.S.C. 9835. If the amount appropriated to the department is insufficient to meet the amount authorized for grants under this subsection, the department shall distribute the grants pro rata to each eligible head start agency.

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

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

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

(2) graduated or will graduate within **18** [SIX] months from a high school in the state; **and**

(3) except as provided in (c) of this section, has completed**, is enrolled in, or plans to enroll in** a core academic curriculum of high school level coursework that includes

(A) four years of mathematics, four years of language arts, four years of science, and four years of social studies, one year of which may include a foreign language, an Alaska Native language, fine arts, [OR] cultural heritage**, or career and technical education**; [OR]

(B) three years of mathematics, four years of language arts, three years of science, four years of social studies, and two years of

(i) a foreign language or an Alaska Native language**; or**

(ii) career and technical education, one year of which includes two semesters of sequentially more rigorous content within a career cluster; or

(C) three years of mathematics, four years of language arts, three years of science, four years of social studies, one year of which may be career and technical education, and two years of a foreign language or

an Alaska Native language [;

(4) HAS A MINIMUM GRADE-POINT AVERAGE IN HIGH SCHOOL OF 2.5 OR HIGHER; THE DEPARTMENT SHALL SET BY REGULATION MINIMUM REQUIREMENTS BASED ON A SUBSTANTIALLY SIMILAR STANDARD FOR DISTRICTS THAT DO NOT ASSIGN GRADES;

(5) HAS ACHIEVED A MINIMUM SCORE ON A

(A) COLLEGE ENTRANCE EXAMINATION; OR

(B) STANDARDIZED EXAMINATION DESIGNED TO MEASURE A STUDENT'S LEVEL OF PREPAREDNESS TO MAKE THE TRANSITION TO WORK, AS SELECTED BY THE DEPARTMENT; AND

(6) IS ENROLLED IN GOOD STANDING IN A COURSE OF STUDY AT A QUALIFIED POSTSECONDARY INSTITUTION IN THIS STATE THAT IS INTENDED TO RESULT IN THE AWARD OF A CERTIFICATE OR DEGREE].

*** Sec. 4.** AS 14.43.820(g) is amended to read:

(g) In this section,

(1) "career cluster" means a group of jobs and industries that are related by skills or products;

(2) "district" has the meaning given in AS 14.17.990.

*** Sec. 5.** AS 14.43.820 is amended by adding new subsections to read:

(h) Not later than January 15 of each year, a district shall provide to each student in the district who is enrolled in grade nine or grade 10 information about the Alaska performance scholarship.

(i) Not later than December 31 of each year, a district shall notify each student in the district who is enrolled in grade 11 of the remaining academic requirements the student must meet to be awarded an Alaska performance scholarship at each level described in AS 14.43.825(a).

(j) Not later than August 15 of each year, the commission shall notify each applicant awarded a scholarship under (a) of this section that the applicant has been awarded an Alaska performance scholarship. The notice must

(1) identify the Alaska performance scholarship level awarded as

described in AS 14.43.825(a); and

(2) inform the applicant that

(A) the commission may disburse the award only if the applicant meets the requirements described in (m) of this section; and

(B) the commission will adjust the applicant's award under the circumstances described in (*l*) of this section.

(k) If a district provides information to or otherwise communicates with a student regarding the Alaska performance scholarship, the district shall also provide information about the requirements to increase an award level under AS 14.43.825(h) - (j).

(*l*) If, at the time an applicant awarded an Alaska performance scholarship graduates from high school, the applicant's grade-point average differs from the grade-point average on which the commission based the applicant's award, the commission shall adjust the applicant's award in accordance with the applicable Alaska performance scholarship level described in AS 14.43.825(a).

(m) Notwithstanding (a) of this section, and except as provided in (c) of this section, the commission may disburse an Alaska performance scholarship awarded to an applicant under this section only if the applicant

(1) has, at the time of the applicant's graduation from high school,

(A) completed the core academic curriculum of high school level coursework described in (a)(3) of this section; and

(B) met the minimum

(i) grade-point average in high school described in AS 14.43.825(a); or

(ii) score on a college entrance examination described in AS 14.43.825(a); and

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

*** Sec. 6.** AS 14.43.825(a) is amended to read:

(a) The maximum annual awards for the Alaska performance scholarships are as follows:

(1) the first award level is **<u>$7,000</u>** [$4,755] and requires a

(A) 3.5 grade-point average or above**<u>, or the equivalent established under (g) of this section</u>**; **<u>or</u>** [AND]

(B) very high minimum score on a college entrance examination;

(2) the second award level is **<u>$5,250</u>** [$3,566] and requires a

(A) 3.0 grade-point average or above**<u>, or the equivalent established under (g) of this section</u>**; **<u>or</u>** [AND]

(B) high minimum score on a college entrance examination;

(3) the third award level is **<u>$3,500</u>** [$2,378] and requires a

(A) 2.5 grade-point average or above**<u>, or the equivalent established under (g) of this section</u>**; **<u>or</u>** [AND]

(B) moderately high minimum score on a college entrance examination.

*** Sec. 7.** AS 14.43.825(b) is amended to read:

(b) A student's eligibility for a scholarship terminates **<u>eight</u>** [SIX] years after the date the student graduates from high school unless the student qualifies for an extension of time allowed by the department by regulation.

*** Sec. 8.** AS 14.43.825(c) is amended to read:

(c) Except as provided in (b) of this section, a student receiving a scholarship may remain eligible for up to eight semesters of enrollment in good standing at a qualified university or college, which may include graduate courses. **<u>A student's eligibility under this subsection is extended by one semester for each semester the student is enrolled part time in good standing at a qualified university or college.</u>**

*** Sec. 9.** AS 14.43.825 is amended by adding new subsections to read:

(g) For high schools that do not award grades on a four-point scale, or five-point scale for advanced placement classes, the department shall establish by regulation the equivalent rating required for a scholarship awarded under (a)(1)(A), (2)(A), and (3)(A) of this section.

(h) Each time a student who is an award recipient completes two semesters of full-time enrollment at a qualified postsecondary institution in this state, the postsecondary institution shall review and notify the commission of the student's postsecondary institution grade-point average. If the student's grades qualify under (i) of this section, the commission shall increase the award level for the student as described in (i) of this section and notify the student of the increase. In this subsection, "full-time enrollment" means enrollment in a course of study that is not less than 15 credits.

(i) If an award recipient's postsecondary institution grade-point average is

(1) 3.5 or above, or the equivalent established under (j) of this section, the commission shall increase the student's award level to the amount described in (a)(1) of this section;

(2) 3.0 or above, or the equivalent established under (j) of this section, the commission shall increase the student's award level to the amount described in (a)(2) of this section.

(j) For qualified postsecondary institutions that do not award grades on a four-point scale, the commission shall establish by regulation the equivalent rating required to increase an award under (i) of this section.

(k) In this section,

(1) "award recipient" means a student who has received an Alaska performance scholarship at the second or third award level;

(2) "postsecondary institution grade-point average" means the average of all grades on a four-point scale, or the equivalent as established by the commission by regulation, obtained by a student at a qualified postsecondary institution in this state.

* **Sec. 10.** AS 14.43.849(2) is amended to read:

(2) "grade-point average" means the average of all grades on a four-point scale, or five-point scale for advanced placement classes, **or the equivalent as established by the department by regulation,** obtained by the student in high school;

* **Sec. 11.** AS 21.96.070(a) is amended to read:

(a) A taxpayer is allowed a credit against the tax due under AS 21.09.210 or

AS 21.66.110 for [CONTRIBUTIONS OF CASH OR EQUIPMENT ACCEPTED]

(1) **contributions of cash or equipment accepted** for direct instruction, research, and educational support purposes, including library and museum acquisitions, and contributions to endowment, by an Alaska university foundation or by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association;

(2) **contributions of cash or equipment accepted** for secondary school level vocational education courses, programs, and facilities by a school district in the state;

(3) **contributions of cash or equipment accepted** for vocational education courses, programs, and facilities by a state-operated vocational technical education and training school;

(4) **contributions of cash or equipment accepted** for a facility by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association;

(5) **contributions of cash or equipment accepted** for Alaska Native cultural or heritage programs and educational support, including mentoring and tutoring, provided by a nonprofit agency for public school staff and for students who are in grades kindergarten through 12 in the state; [AND]

(6) **contributions of cash or equipment accepted** for education, research, rehabilitation, and facilities by an institution that is located in the state and that qualifies as a coastal ecosystem learning center under the Coastal America Partnership established by the federal government**; and**

(7) contributions of cash or equipment accepted for the operation of a nonprofit educational resource center that supports academic achievement in grades nine through 12 by coordinating curricula and statewide competition in the subject areas of economics, science, social science, literature, music, art, mathematics, writing, speech, and interview skills and by providing student scholarships.

*** Sec. 12.** AS 21.96.070(d) is amended to read:

(d) A contribution claimed as a credit under this section may not

(1) be the basis for a credit claimed under another provision of this title; and

(2) when combined with contributions that are the basis for credits taken during the taxpayer's tax year under AS 43.20.014, AS 43.55.019, AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total amount of credits exceeding **$3,000,000** [$1,000,000]; if the taxpayer is a member of an affiliated group, then the total amount of credits may not exceed **$3,000,000** [$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the meaning given in AS 43.20.145.

* **Sec. 13.** AS 23.15.820(a) is amended to read:

(a) The Alaska Workforce Investment Board shall

(1) administer the Alaska technical and vocational education program established in AS 23.15.820 - 23.15.850;

(2) facilitate the development of a statewide policy for a coordinated and effective technical and vocational education training system in this state and, to the extent authorized by federal and state law, plan and coordinate federal, state, and local efforts in technical and vocational education programs;

(3) adopt regulations under AS 44.62 (Administrative Procedure Act) to carry out the purposes of AS 23.15.820 - 23.15.850 [, INCLUDING REGULATIONS THAT SET STANDARDS FOR THE PERCENTAGE OF A GRANT THAT MAY BE USED FOR ADMINISTRATIVE COSTS; THE REGULATIONS MUST CLEARLY IDENTIFY AND DISTINGUISH BETWEEN EXPENSES THAT MAY BE INCLUDED IN ADMINISTRATIVE COSTS AND THOSE THAT MAY NOT BE INCLUDED IN ADMINISTRATIVE COSTS; THE PERCENTAGE ALLOWED FOR ADMINISTRATIVE COSTS MAY NOT EXCEED THE LESSER OF FIVE PERCENT OR THE AMOUNT PERMITTED UNDER THE REQUIREMENTS OF A FEDERAL PROGRAM, IF APPLICABLE;

(4) ADMINISTER THE GRANT PROGRAM UNDER AS 23.15.840 AND ESTABLISH GRANT ADMINISTRATION REQUIREMENTS INCLUDING ACCOUNTING PROCEDURES THAT APPLY TO QUALIFIED ENTITIES AND THEIR GRANTEES];

(4) [(5)] facilitate the development and implementation of a statewide policy and procedure that provides for the acceptance of credit or hours toward a degree or technical program offered by a vocational or technical training center in the state for an applicant who provides satisfactory evidence of successful completion of relevant military education, training, or service as a member of the armed forces of the United States, the United States Reserves, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state.

*** Sec. 14.** AS 23.15.835(a) is amended to read:

(a) In the manner provided in AS 23.20 and for the benefit of the program, the department shall collect from each employee an amount equal to **.25** [.16] percent of the wages, as set out in AS 23.20.175, on which the employee is required to make contributions under AS 23.20.290(d). The department shall remit to the Department of Revenue, in accordance with AS 37.10.050, money collected under this subsection.

*** Sec. 15.** AS 23.15.835(d) is amended to read:

(d) **The** [NOTWITHSTANDING AS 23.15.840(a), FOR THE FISCAL YEARS ENDING JUNE 30, 2015, THROUGH JUNE 30, 2024, THE] money collected under this section or otherwise appropriated to the Alaska Workforce Investment Board shall be allocated directly in the following percentages to the following institutions for programs consistent with AS 23.15.820 - 23.15.850 and capital improvements:

University of Alaska	**25 percent**
University of Alaska Southeast	**5 percent** [45 PERCENT]
Galena Interior Learning Academy	4 percent
Alaska Technical Center	9 percent
Alaska Vocational Technical Center	17 percent
Northwestern Alaska Career and Technical Center	**4 percent** [3 PERCENT]
Southwest Alaska Vocational and Education Center	**4 percent** [3 PERCENT]
Yuut Elitnaurviat, Inc. People's Learning Center	9 percent
Partners for Progress in Delta, Inc.	3 percent
[AMUNDSEN EDUCATIONAL CENTER	2 PERCENT]
Ilisagvik College	**6 percent**

Prince of Wales Community Learning Center	**5 percent**
Sealaska Heritage Institute	**2 percent**
Fairbanks Pipeline Training Center	**7 percent** [5 PERCENT].

* **Sec. 16.** AS 43.20.014(a) is amended to read:

(a) A taxpayer is allowed a credit against the tax due under this chapter for [CONTRIBUTIONS OF CASH OR EQUIPMENT ACCEPTED FOR]

(1) **contributions of cash or equipment accepted for** direct instruction, research, and educational support purposes, including library and museum acquisitions, and contributions to endowment, by an Alaska university foundation, by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association, or by a public or private nonprofit elementary or secondary school in the state;

(2) **contributions of cash or equipment accepted for** secondary school level vocational education courses, programs, and facilities by a school district in the state;

(3) **contributions of cash or equipment accepted for** vocational education courses, programs, equipment, and facilities by a state-operated vocational technical education and training school, a nonprofit regional training center recognized by the Department of Labor and Workforce Development, and an apprenticeship program in the state that is registered with the United States Department of Labor under 29 U.S.C. 50 - 50b (National Apprenticeship Act);

(4) **contributions of cash or equipment accepted for** a facility by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association or by a public or private nonprofit elementary or secondary school in the state;

(5) **contributions of cash or equipment accepted for** Alaska Native cultural or heritage programs and educational support, including mentoring and tutoring, provided by a nonprofit agency for public school staff and for students who are in grades kindergarten through 12 in the state;

(6) **contributions of cash or equipment accepted for** education, research, rehabilitation, and facilities by an institution that is located in the state and

that qualifies as a coastal ecosystem learning center under the Coastal America Partnership established by the federal government;

(7) **contributions of cash or equipment accepted for** the Alaska higher education investment fund under AS 37.14.750;

(8) **contributions of cash or equipment accepted for** funding a scholarship awarded by a nonprofit organization to a dual-credit student to defray the cost of a dual-credit course, including the cost of

(A) tuition and textbooks;

(B) registration, course, and programmatic student fees;

(C) on-campus room and board at the postsecondary institution in the state that provides the dual-credit course;

(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the dual-credit course; and

(E) other related educational and programmatic costs;

(9) **contributions of cash or equipment accepted for** constructing, operating, or maintaining a residential housing facility by a residential school in the state approved by the Department of Education and Early Development under AS 14.16.200;

(10) **contributions of cash or equipment accepted for** childhood early learning and development programs and educational support to childhood early learning and development programs provided by a nonprofit corporation organized under AS 10.20, a tribal entity, or a school district in the state, by the Department of Education and Early Development, or through a state grant;

(11) **contributions of cash or equipment accepted for** science, technology, engineering, and math programs provided by a nonprofit agency or a school district for school staff and for students in grades kindergarten through 12 in the state; [AND]

(12) **contributions of cash or equipment accepted for** the operation of a nonprofit organization dedicated to providing educational opportunities that

promote the legacy of public service contributions to the state and perpetuate ongoing educational programs that foster public service leadership for future generations of residents of the state**; and**

(13) contributions of cash or equipment accepted for the operation of a nonprofit educational resource center that supports academic achievement in grades nine through 12 by coordinating curricula and statewide competition in the subject areas of economics, science, social science, literature, music, art, mathematics, writing, speech, and interview skills and by providing student scholarships.

*** Sec. 17.** AS 43.20.014(d) is amended to read:

(d) A contribution claimed as a credit under this section may not

(1) be the basis for a credit claimed under another provision of this title;

(2) also be allowed as a deduction under **26 U.S.C. (Internal Revenue Code)** [26 U.S.C. 170] against the tax imposed by this chapter; and

(3) when combined with contributions that are the basis for credits taken during the taxpayer's tax year under AS 21.96.070, AS 43.55.019, AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total amount of credits exceeding **$3,000,000** [$1,000,000]; if the taxpayer is a member of an affiliated group, then the total amount of credits may not exceed **$3,000,000** [$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the meaning given in AS 43.20.145.

*** Sec. 18.** AS 43.55.019(a) is amended to read:

(a) A producer of oil or gas is allowed a credit against the tax levied by AS 43.55.011(e) for [CONTRIBUTIONS OF CASH OR EQUIPMENT ACCEPTED FOR]

(1) **contributions of cash or equipment accepted for** direct instruction, research, and educational support purposes, including library and museum acquisitions, and contributions to endowment, by an Alaska university foundation or by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association;

(2) **contributions of cash or equipment accepted for** secondary school level vocational education courses, programs, and facilities by a school district in the state;

(3) **contributions of cash or equipment accepted for** vocational education courses, programs, equipment, and facilities by a state-operated vocational technical education and training school, a nonprofit regional training center recognized by the Department of Labor and Workforce Development, and an apprenticeship program in the state that is registered with the United States Department of Labor under 29 U.S.C. 50 - 50b (National Apprenticeship Act);

(4) **contributions of cash or equipment accepted for** a facility by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association;

(5) **contributions of cash or equipment accepted for** Alaska Native cultural or heritage programs and educational support, including mentoring and tutoring, provided by a nonprofit agency for public school staff and for students who are in grades kindergarten through 12 in the state;

(6) **contributions of cash or equipment accepted for** education, research, rehabilitation, and facilities by an institution that is located in the state and that qualifies as a coastal ecosystem learning center under the Coastal America Partnership established by the federal government; [AND]

(7) **contributions of cash or equipment accepted for** the Alaska higher education investment fund under AS 37.14.750**; and**

(8) contributions of cash or equipment accepted for the operation of a nonprofit educational resource center that supports academic achievement in grades nine through 12 by coordinating curricula and statewide competition in the subject areas of economics, science, social science, literature, music, art, mathematics, writing, speech, and interview skills and by providing student scholarships.

* **Sec. 19.** AS 43.55.019(d) is amended to read:

(d) A contribution claimed as a credit under this section may not

(1) be the basis for a credit claimed under another provision of this

title; and

(2) when combined with contributions that are the basis for credits taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014, AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total amount of credits exceeding **$3,000,000** [$1,000,000]; if the taxpayer is a member of an affiliated group, then the total amount of credits may not exceed **$3,000,000** [$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the meaning given in AS 43.20.145.

* **Sec. 20.** AS 43.56.018(a) is amended to read:

(a) The owner of property taxable under this chapter is allowed a credit against the tax due under this chapter for [CONTRIBUTIONS OF CASH OR EQUIPMENT ACCEPTED FOR]

(1) **contributions of cash or equipment accepted for** direct instruction, research, and educational support purposes, including library and museum acquisitions, and contributions to endowment, by an Alaska university foundation or by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association;

(2) **contributions of cash or equipment accepted for** secondary school level vocational education courses, programs, and facilities by a school district in the state;

(3) **contributions of cash or equipment accepted for** vocational education courses, programs, and facilities by a state-operated vocational technical education and training school;

(4) **contributions of cash or equipment accepted for** a facility by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association;

(5) **contributions of cash or equipment accepted for** Alaska Native cultural or heritage programs and educational support, including mentoring and tutoring, provided by a nonprofit agency for public school staff and for students who are in grades kindergarten through 12 in the state;

(6) **contributions of cash or equipment accepted for** education,

research, rehabilitation, and facilities by an institution that is located in the state and that qualifies as a coastal ecosystem learning center under the Coastal America Partnership established by the federal government; [AND]

(7) **contributions of cash or equipment accepted for** the Alaska higher education investment fund under AS 37.14.750**; and**

(8) contributions of cash or equipment accepted for the operation of a nonprofit educational resource center that supports academic achievement in grades nine through 12 by coordinating curricula and statewide competition in the subject areas of economics, science, social science, literature, music, art, mathematics, writing, speech, and interview skills and by providing student scholarships.

* **Sec. 21.** AS 43.56.018(d) is amended to read:

(d) A contribution claimed as a credit under this section may not

(1) be the basis for a credit claimed under another provision of this title; and

(2) when combined with contributions that are the basis for credits taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014, AS 43.55.019, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total amount of credits exceeding **$3,000,000** [$1,000,000]; if the taxpayer is a member of an affiliated group, then the total amount of credits may not exceed **$3,000,000** [$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the meaning given in AS 43.20.145.

* **Sec. 22.** AS 43.65.018(a) is amended to read:

(a) A person engaged in the business of mining in the state is allowed a credit against the tax due under this chapter for [CONTRIBUTIONS OF CASH OR EQUIPMENT ACCEPTED FOR]

(1) **contributions of cash or equipment accepted for** direct instruction, research, and educational support purposes, including library and museum acquisitions, and contributions to endowment, by an Alaska university foundation, by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association, or by a public or private nonprofit

elementary or secondary school in the state;

(2) **<u>contributions of cash or equipment accepted for</u>** secondary school level vocational education courses, programs, and facilities by a school district in the state;

(3) **<u>contributions of cash or equipment accepted for</u>** vocational education courses, programs, and facilities by a state- operated vocational technical education and training school;

(4) **<u>contributions of cash or equipment accepted for</u>** a facility by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association or by a public or private nonprofit elementary or secondary school in the state;

(5) **<u>contributions of cash or equipment accepted for</u>** Alaska Native cultural or heritage programs and educational support, including mentoring and tutoring, provided by a nonprofit agency for public school staff and for students who are in grades kindergarten through 12 in the state;

(6) **<u>contributions of cash or equipment accepted for</u>** education, research, rehabilitation, and facilities by an institution that is located in the state and that qualifies as a coastal ecosystem learning center under the Coastal America Partnership established by the federal government;

(7) **<u>contributions of cash or equipment accepted for</u>** the Alaska higher education investment fund under AS 37.14.750;

(8) **<u>contributions of cash or equipment accepted for</u>** funding a scholarship awarded by a nonprofit organization to a dual-credit student to defray the cost of a dual-credit course, including the cost of

(A) tuition and textbooks;

(B) registration, course, and programmatic student fees;

(C) on-campus room and board at the postsecondary institution in the state that provides the dual-credit course;

(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the dual-credit course; and

(E) other related educational and programmatic costs;

(9) **<u>contributions of cash or equipment accepted for</u>** constructing, operating, or maintaining a residential housing facility by a residential school approved by the Department of Education and Early Development under AS 14.16.200;

(10) **<u>contributions of cash or equipment accepted for</u>** childhood early learning and development programs and educational support to childhood early learning and development programs provided by a nonprofit corporation organized under AS 10.20, a tribal entity, or a school district in the state, by the Department of Education and Early Development, or through a state grant;

(11) **<u>contributions of cash or equipment accepted for</u>** science, technology, engineering, and math programs provided by a nonprofit agency or a school district for school staff and for students in grades kindergarten through 12 in the state; [AND]

(12) **<u>contributions of cash or equipment accepted for</u>** the operation of a nonprofit organization dedicated to providing educational opportunities that promote the legacy of public service contributions to the state and perpetuate ongoing educational programs that foster public service leadership for future generations of residents of the state**<u>; and</u>**

<u>(13) contributions of cash or equipment accepted for the operation of a nonprofit educational resource center that supports academic achievement in grades nine through 12 by coordinating curricula and statewide competition in the subject areas of economics, science, social science, literature, music, art, mathematics, writing, speech, and interview skills and by providing student scholarships</u>.

* **Sec. 23.** AS 43.65.018(d) is amended to read:

(d) A contribution claimed as a credit under this section may not

(1) be the basis for a credit claimed under another provision of this title; and

(2) when combined with contributions that are the basis for credits

taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014, AS 43.55.019, AS 43.56.018, AS 43.75.018, or AS 43.77.045, result in the total amount of the credits exceeding **<u>$3,000,000</u>** [$1,000,000]; if the taxpayer is a member of an affiliated group, then the total amount of credits may not exceed **<u>$3,000,000</u>** [$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the meaning given in AS 43.20.145.

*** Sec. 24.** AS 43.75.018(a) is amended to read:

(a) A person engaged in a fisheries business is allowed a credit against the tax due under this chapter for [CONTRIBUTIONS OF CASH OR EQUIPMENT ACCEPTED FOR]

(1) **<u>contributions of cash or equipment accepted for</u>** direct instruction, research, and educational support purposes, including library and museum acquisitions, and contributions to endowment, by an Alaska university foundation, by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association, or by a public or private nonprofit elementary or secondary school in the state;

(2) **<u>contributions of cash or equipment accepted for</u>** secondary school level vocational education courses, programs, and facilities by a school district in the state;

(3) **<u>contributions of cash or equipment accepted for</u>** vocational education courses, programs, and facilities by a state-operated vocational technical education and training school;

(4) **<u>contributions of cash or equipment accepted for</u>** a facility by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association or by a public or private nonprofit elementary or secondary school in the state;

(5) **<u>contributions of cash or equipment accepted for</u>** Alaska Native cultural or heritage programs and educational support, including mentoring and tutoring, provided by a nonprofit agency for public school staff and for students who are in grades kindergarten through 12 in the state;

(6) **<u>contributions of cash or equipment accepted for</u>** education,

research, rehabilitation, and facilities by an institution that is located in the state and that qualifies as a coastal ecosystem learning center under the Coastal America Partnership established by the federal government;

(7) **contributions of cash or equipment accepted for** the Alaska higher education investment fund under AS 37.14.750;

(8) **contributions of cash or equipment accepted for** funding a scholarship awarded by a nonprofit organization to a dual-credit student to defray the cost of a dual-credit course, including the cost of

(A) tuition and textbooks;

(B) registration, course, and programmatic student fees;

(C) on-campus room and board at the postsecondary institution in the state that provides the dual-credit course;

(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the dual-credit course; and

(E) other related educational and programmatic costs;

(9) **contributions of cash or equipment accepted for** constructing, operating, or maintaining a residential housing facility by a residential school approved by the Department of Education and Early Development under AS 14.16.200;

(10) **contributions of cash or equipment accepted for** childhood early learning and development programs and educational support to childhood early learning and development programs provided by a nonprofit corporation organized under AS 10.20, a tribal entity, or a school district in the state, by the Department of Education and Early Development, or through a state grant;

(11) **contributions of cash or equipment accepted for** science, technology, engineering, and math programs provided by a nonprofit agency or a school district for school staff and for students in grades kindergarten through 12 in the state; [AND]

(12) **contributions of cash or equipment accepted for** the operation

of a nonprofit organization dedicated to providing educational opportunities that promote the legacy of public service contributions to the state and perpetuate ongoing educational programs that foster public service leadership for future generations of residents of the state**; and**

(13) contributions of cash or equipment accepted for the operation of a nonprofit educational resource center that supports academic achievement in grades nine through 12 by coordinating curricula and statewide competition in the subject areas of economics, science, social science, literature, music, art, mathematics, writing, speech, and interview skills and by providing student scholarships.

*** Sec. 25.** AS 43.75.018(d) is amended to read:

(d) A contribution claimed as a credit under this section may not

(1) be the basis for a credit claimed under another provision of this title; and

(2) when combined with contributions that are the basis for credits taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014, AS 43.55.019, AS 43.56.018, AS 43.65.018, or AS 43.77.045, result in the total amount of the credits exceeding **$3,000,000** [$1,000,000]; if the taxpayer is a member of an affiliated group, then the total amount of credits may not exceed **$3,000,000** [$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the meaning given in AS 43.20.145.

*** Sec. 26.** AS 43.77.045(a) is amended to read:

(a) A person engaged in a floating fisheries business is allowed a credit against the tax due under this chapter for [CONTRIBUTIONS OF CASH OR EQUIPMENT ACCEPTED FOR]

(1) **contributions of cash or equipment accepted for** direct instruction, research, and educational support purposes, including library and museum acquisitions, and contributions to endowment, by an Alaska university foundation, by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association, or by a public or private nonprofit elementary or secondary school in the state;

(2) **contributions of cash or equipment accepted for** secondary school level vocational education courses, programs, and facilities by a school district in the state;

(3) **contributions of cash or equipment accepted for** vocational education courses, programs, and facilities by a state-operated vocational technical education and training school;

(4) **contributions of cash or equipment accepted for** a facility by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association or by a public or private nonprofit elementary or secondary school in the state;

(5) **contributions of cash or equipment accepted for** Alaska Native cultural or heritage programs and educational support, including mentoring and tutoring, provided by a nonprofit agency for public school staff and for students who are in grades kindergarten through 12 in the state;

(6) **contributions of cash or equipment accepted for** education, research, rehabilitation, and facilities by an institution that is located in the state and that qualifies as a coastal ecosystem learning center under the Coastal America Partnership established by the federal government;

(7) **contributions of cash or equipment accepted for** the Alaska higher education investment fund under AS 37.14.750;

(8) **contributions of cash or equipment accepted for** funding a scholarship awarded by a nonprofit organization to a dual-credit student to defray the cost of a dual-credit course, including the cost of

(A) tuition and textbooks;

(B) registration, course, and programmatic student fees;

(C) on-campus room and board at the postsecondary institution in the state that provides the dual-credit course;

(D) transportation costs to and from a residential school approved by the Department of Education and Early Development under AS 14.16.200 or the postsecondary school in the state that provides the dual-credit course; and

(E) other related educational and programmatic costs;

(9) **contributions of cash or equipment accepted for** constructing, operating, or maintaining a residential housing facility by a residential school approved by the Department of Education and Early Development under AS 14.16.200;

(10) **contributions of cash or equipment accepted for** childhood early learning and development programs and educational support to childhood early learning and development programs provided by a nonprofit corporation organized under AS 10.20, a tribal entity, or a school district in the state, by the Department of Education and Early Development, or through a state grant;

(11) **contributions of cash or equipment accepted for** science, technology, engineering, and math programs provided by a nonprofit agency or a school district for school staff and for students in grades kindergarten through 12 in the state; [AND]

(12) **contributions of cash or equipment accepted for** the operation of a nonprofit organization dedicated to providing educational opportunities that promote the legacy of public service contributions to the state and perpetuate ongoing educational programs that foster public service leadership for future generations of residents of the state**; and**

(13) contributions of cash or equipment accepted for the operation of a nonprofit educational resource center that supports academic achievement in grades nine through 12 by coordinating curricula and statewide competition in the subject areas of economics, science, social science, literature, music, art, mathematics, writing, speech, and interview skills and by providing student scholarships.

*** Sec. 27.** AS 43.77.045(d) is amended to read:

(d) A contribution claimed as a credit under this section may not

(1) be the basis for a credit claimed under another provision of this title; and

(2) when combined with contributions that are the basis for credits taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,

AS 43.55.019, AS 43.56.018, AS 43.65.018, or AS 43.75.018, result in the total amount of the credits exceeding **$3,000,000** [$1,000,000]; if the taxpayer is a member of an affiliated group, then the total amount of credits may not exceed **$3,000,000** [$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the meaning given in AS 43.20.145.

*** Sec. 28.** AS 23.15.840 and AS 47.25.071(c) are repealed.

*** Sec. 29.** The uncodified law of the State of Alaska is amended by adding a new section to read:

RETROACTIVITY. If secs. 3 - 10, 13 - 15, and 28 of this Act take effect after June 30, 2024, secs. 3 - 10, 13 - 15, and 28 of this Act are retroactive to June 30, 2024.

*** Sec. 30.** Section 37, ch. 61, SLA 2014, as amended by sec. 40, ch. 101, SLA 2018, is amended to read:

Sec. 37. Sections 1, 2, and 21**, ch. 61, SLA 2014,** [OF THIS ACT] take effect January 1, **2029** [2025].

*** Sec. 31.** Section 2 of this Act takes effect July 1, 2024.

*** Sec. 32.** Except as provided in sec. 31 of this Act, this Act takes effect immediately under AS 01.10.070(c).