See Center for Media and Democracy' quick summary at bottom

AMERICAN LEGISLATIVE EXCHANGE COUNCIL ALEC

Exposed By the Center for Media and Democracy www.prwatch.org

ALEC EXPOSED

"ALEC" has long been a secretive collaboration between Big Business and "conservative" politicians. Behind closed doors, they ghostwrite "model" bills to be introduced in state capitols across the country. This agenda–underwritten by global corporations–includes major tax loopholes for big industries and the super rich, proposals to offshore U.S. jobs and gut minimum wage, and efforts to weaken public health, safety, and environmental protections. Although many of these bills have become law, until now, their origin has been largely unknown. With **ALEC EXPOSED**, the Center for Media and Democracy hopes more Americans will study the bills to understand the depth and breadth of how big corporations are changing the legal rules and undermining democracy across the nation.

ALEC's Corporate Board --in recent past or present

- AT&T Services, Inc.
- centerpoint360
- UPS
- Bayer Corporation
- GlaxoSmithKline
- Energy Future Holdings
- Johnson & Johnson
- Coca-Cola Company
- PhRMA
- Kraft Foods, Inc.
- Coca-Cola Co.
- Pfizer Inc.
- Reed Elsevier, Inc.
- DIAGEO
- Peabody Energy
- Intuit, Inc.
- Koch Industries, Inc.
- ExxonMobil
- Verizon
- Reynolds American Inc.
- Wal-Mart Stores, Inc.
- Salt River Project
- Altria Client Services, Inc.
- American Bail Coalition
- State Farm Insurance

*For more on these corporations, search at www.***SourceWatch.org**.

DID YOU KNOW? Corporations VOTED to adopt this. Through ALEC, global companies work as "equals" in "unison" with politicians to write laws to govern your life. Big Business has "a VOICE and a VOTE," according to newly exposed documents. **DO YOU?**

Did you know that an online for-profit school company was the corporate co-chair in 2011?

College Opportunity Fund Act

Summary

This bill will create a voucher program for students to use to attend the institution of higher education of their choice.

Model Legislation

{Title, enacting clause, etc.}

Section 1. {Short Title} This Act may be cited as the College Opportunity Fund Act.

Section 2. {Definitions}

As used in this article, unless the context otherwise requires:

(1) "Board of Regents" means the [State] Board of Regents [or state agency for higher education].

(2) "College Opportunity Fund" or "Fund" means the College Opportunity Fund Program created in Section 4.

(3) "College Opportunity Fund Program" or "Program" means the College Opportunity Fund Program created in the Board of Regents pursuant to Section 3.

(4) "Commission" means the [State] Advisory Commission on Higher Education.

(5) (a) "Eligible undergraduate student" means:

(I) A student who is enrolled at a state institution of higher education and who is classified as an in-state student for tuition purposes; or

(II) A student who is enrolled at a participating private institution of higher education and who:

(A) is classified as an in-state student for tuition purposes;

(B) is a graduate of a [State] high school or [home education provisions];

(C) demonstrates financial need through the student's eligibility for the Federal Pell Grant, or its successor program; and

(D) meets any other eligibility requirements established by the Commission.

(b) "Eligible undergraduate student" shall not mean a student enrolled in an off-campus, extended campus, or continuing education class, that is not supported by state general fund monies, except as approved by the Commission.

(6) "Governing board" means the governing body of a state institution of higher education.

(7) "Institution of higher education" means a participating private institution of higher education or a state institution of higher education.

(8) "Participating private institution of higher education" means a private institution of higher education that enters into a performance contract with the Board of Regents

pursuant to Section 9 and agrees to participate in the program.

(9) "Private institution of higher education" means a not-for-profit college or university that is not pervasively sectarian and that maintains its primary place of business in the state of [State], that offers general baccalaureate degrees in arts and sciences, and that is institutionally accredited on the basis of an on-site review in [State] by one of the six nationally recognized regional accrediting associations or by an accrediting agency determined by the Commission to be appropriate to its educational purposes and programs.

(10) (a) "State institution of higher education" means a public postsecondary institution that is governed by:

(I) The Board of Regents of the state of [State];

(II) The board of governors of the [state university and/or system];

(III) The board of trustees of the [state university and/or system]; or

(IV) The [state board for community and/or junior and/or occupational colleges].

(b) "State institution of higher education" does not include [list exceptions].

(11) "Stipend" means the amount of money per credit hour specified pursuant to Section 4(2)(b) held in trust for and paid on behalf of an eligible undergraduate student pursuant to Section 4(5).

(12) "Student's share of in-state tuition" means the amount of total in-state tuition, less any amount paid on behalf of the student as a stipend.

(13) "Total in-state tuition" means the total amount of tuition that is paid to a state institution of higher education by or on behalf of a student who is eligible to pay in-state tuition, including but not limited to the amount of the stipend paid on behalf of the student.

Section 3. {College Opportunity Fund Program – creation – eligibility – guidelines.}

(1) There is hereby created in the Board of Regents the College Opportunity Fund Program, which shall be administered by the [state student loan program or other administering agency]. The College Opportunity Fund, created in Section 4, shall be a trust fund for the benefit of eligible undergraduate students. It shall consist of a stipend for each undergraduate student in [State] who applies for the stipend and who is admitted and registers to attend a state or participating private institution of higher learning and is determined to be eligible by the [administering agency] to receive a stipend. An eligible undergraduate student may use the stipend for undergraduate courses taken at a state or participating private institution of higher education at a fixed rate per credit hour, set annually by the state legislature.

(2) A student of a private institution of higher education shall be a beneficiary of the College Opportunity Fund and eligible to participate in the College Opportunity Fund Program only if the private institution of higher education that the student attends has agreed to participate in the program by establishing a performance contract with the Board of Regents pursuant to Section 9. The Board of Regents shall include each participating private institution of higher education and its students who participate in the College Opportunity Fund Program in the student unit reporting data system, in order to enable the students of the participating private institution of higher education to participate in the program. The participating private institution of higher education shall reimburse the Board of Regents for the actual expenses associated with including the institution in the student unit reporting data system.

(3) The [administering agency], in consultation with the governing boards, shall adopt the necessary policies for the implementation of this Section 3, which at a minimum shall include procedures for requesting funds for the program which adhere to Board of Regents budget guidelines and the annual budgeting cycle of the executive and legislative branches.

(4) The [administering agency] shall direct all state and participating private institutions of higher education to require resident undergraduate students to apply for the program. If a student is classified as an in-state student for tuition purposes at a state institution of higher education and does not apply for the program or is not eligible for the program, the student shall be responsible for paying the student's total in-state tuition amount.

Section 4. {College Opportunity Fund – appropriations – payment of stipends –reimbursement.}

(1) (a) Beginning with the state fiscal year commencing [date], and for each state fiscal year thereafter, the state legislature shall make an annual appropriation, in trust for eligible undergraduate students, to the College Opportunity Fund, which is hereby established as a trust fund account with the [administering agency]. Monies appropriated to the College Opportunity Fund are for the sole purpose of disbursement on behalf of eligible undergraduate students in accordance with Sections 3 through 8 and are not for the general operation or any other function of the [administering agency]. Any unexpended and unencumbered monies remaining in the College Opportunity Fund at the end of a fiscal year are the property of the trust fund and shall

remain in the fund and shall not be credited or transferred to the general fund or any other fund.

(b) The [administering agency] shall administer and disburse the funds in the College Opportunity Fund on behalf of eligible undergraduate students as provided in Sections 3 through 8. Each state institution of higher education and participating private institution of higher education that does not receive loan origination and disbursement services through the [administering agency] shall pay an implementation fee and an on-going disbursement fee, the amounts of which shall be determined by the [administering agency] but shall not exceed the actual cost of the implementation and on-going disbursement.

(2) (a) For the state fiscal year commencing [date], and for each state fiscal year thereafter, the Commission, in consultation with the governing boards and participating private institutions, shall annually estimate the number of undergraduate full-time equivalent students who are eligible for stipends under Sections 3 through 8 at each state institution of higher education and each participating private institution of higher education. The Commission shall report the numbers during the annual budget cycle to the governor and to the joint budget committee of the state legislature for inclusion in the annual general appropriations act.

(b) For the state fiscal year commencing [date], and for state fiscal years thereafter, for an eligible undergraduate student attending a state institution of higher education, the specified amount of the stipend per credit hour shall be an amount set annually by the state legislature, which in no case shall exceed the student's total in-state tuition. The value of the per credit hour stipend shall be the same for each eligible undergraduate student, regardless of the state institution of higher education that the student attends. The student shall be responsible for paying the student's share of total in-state tuition, if any.

(c) The Commission shall forward to the state legislature and governor, by November 1 of each year, a list of institutions eligible to receive stipends on behalf of eligible undergraduate students under the program. The Commission shall annually request that the state legislature adjust the amount appropriated to the [administering agency] for the stipends to reflect at least inflation and enrollment growth in the state institutions of higher education.

(d) Beginning with the state fiscal year commencing [date], the Commission, in consultation with the governing boards and any participating private institutions of higher education, shall review annually the amount of the stipend per credit hour established pursuant to paragraph (b) of this subsection. Following the review, the Commission, in consultation with the governing boards and participating private institutions, shall annually make recommendations regarding possible adjustments to the amount of the stipend per credit hour to the governor and the joint budget committee of the state legislature for consideration in preparing the annual general appropriations act.

(e) An eligible undergraduate student who attends a participating private institution of higher education may receive financial assistance under Sections 3-8 in the amount of fifty percent of the stipend amount; except that the amount of the stipend under this paragraph may increase in proportion to the percent of unfunded enrollment growth that is appropriated to the governing boards pursuant to Section 9(7).

(3) (a) For the state fiscal year commencing [date], and for each state fiscal year thereafter, the state legislature shall appropriate spending authority to each governing board for the cash funds exempt estimated to be received by an institution, under the direction and control of the governing board, as stipends, consistent with the provisions of [statute providing for postsecondary education financing]. The spending authority for the stipends estimated to be received shall be calculated by multiplying the amount of the applicable per-credit-hour stipend by the number of eligible student credit hours that are estimated to be attributable to each state institution of higher education under the direction and control of the governing board.

(b) The tuition increases from which the state legislature derived the total cash spending authority for each governing board shall be noted in a footnote in the annual general appropriations act.

(4) Regardless of when an institution receives monies in the form of a stipend on behalf of a student, or if the stipend amount is reduced by the state legislature, a state institution of higher education shall not increase the student's share of in-state tuition to make up for an actual or effective reduction during the same fiscal year in the stipend amount from which the total in-state tuition amount was calculated or for issues relating to the timing of stipend payments.

(5) (a) After an undergraduate student has applied for the program, been approved for the program, and enrolled in a state or participating private institution of higher education, the institution shall request that the [administering agency] make a stipend payment from the College Opportunity Fund to the institution on behalf of the eligible undergraduate student. A payment by the [administering agency] to an institution of higher education from the College Opportunity Fund shall not be subject to the assessment of a transaction fee pursuant to [statute providing for state treasurer's transactions fees]. The stipend payment shall be paid to the institution upon receipt by the institution of the eligible undergraduate student shall be applied against the student's total in-state tuition.

(b) The stipend paid by the [administering agency] on behalf of the eligible undergraduate student shall note on the student's receipt of payment from the state or private institution of higher education that the monies came from the College Opportunity Fund.

(c) (I) An eligible undergraduate student shall not receive a stipend from the College Opportunity Fund for more than one hundred forty-five credit hours during the eligible undergraduate student's lifetime; except that, if an eligible undergraduate student has received payment for a stipend for one hundred forty-five credit hours and the student has received a bachelor's degree, the eligible undergraduate student is eligible to receive stipend payments for an additional thirty undergraduate credit hours.

(II) For an eligible undergraduate who is enrolled as a continuing student as of [date], the Commission shall determine the number of credit hours for which the student may receive a stipend from the College Opportunity Fund, based on the number of credit hours the eligible undergraduate student has earned.

(d) (I) An institution of higher education of higher education shall not receive the payment of a stipend on behalf of an eligible undergraduate student for:

(A) Basic skills courses, as defined in [statute];

(B) High school fast-track courses taken pursuant to [statute];

(C) International baccalaureate courses; or

(D) Advanced placement courses.

(II) The institution of higher education in which an eligible undergraduate student enrolls may contract with the Board of Regents pursuant to Section 10 to provide the courses specified in sub-subparagraphs (A) and (B) of subparagraph (I) of this paragraph (d) for a fee.

(e) Notwithstanding the lifetime-credit-hour limitation established pursuant to paragraph (c) of this subsection (5), an eligible undergraduate student may apply to the Commission for a waiver of the limitation. The Commission may grant a waiver of the lifetime-credit-hour limitation if it finds:

(I) That extenuating circumstances exist related to the student's health or physical ability to complete the degree program within the lifetime-credit-hour limit;

(II) That the degree program, as approved by the Commission, requires more than one hundred twenty hours to complete.;

(III) That, while the eligible undergraduate student was enrolled in a specific degree program, the Commission approved and the institution implemented an alteration of degree requirements or standards for the specific degree; or

(IV) That requiring the eligible undergraduate student to pay the full amount of total in-state tuition for credit hours that exceed the limitation would cause a substantial economic hardship on the student and the student's family.

(f) Notwithstanding the lifetime-credit-hour limitation established pursuant to paragraph (c) of this subsection (5) and in addition to the provisions of paragraph (e) of this subsection (5), a state institution of higher education may annually grant a one-year waiver of the lifetime-credit-hour limitation for up to five percent of the eligible undergraduate students enrolled in the state institution of higher education. In granting the waivers under this paragraph (f), the state institution of higher education shall give priority to students who are seeking job retraining.

(6) If an eligible undergraduate student enrolls in a class for which the state or participating private institution of higher education receives a stipend payment pursuant to subsection (5) of this section and the eligible undergraduate student subsequently withdraws from the class on or prior to the final date on which the institution permits a student to withdraw without the payment of any amount of tuition, the institution shall reimburse the College Opportunity Fund for the proportional amount of the stipend received that conforms to the governing board's refund policy for the class from which the student withdrew. The credits for which the stipend is refunded shall not count against the eligible undergraduate student's lifetime-credit-hour limitation established pursuant to paragraph (c) of subsection (5) of this section.

Section 5. {College Opportunity Fund – data retention.}

(1) The Commission, in cooperation with the state and participating private institutions of higher education, shall maintain a record of the number of credit hours for which each eligible undergraduate student receives a stipend from the College Opportunity Fund. The Commission shall also maintain any confidential information concerning eligible undergraduate students participating in the program.

(2) The Commission, in consultation with the governing boards, shall determine by policy when to forward to each state and participating private institution of higher

education a report on the number of credit hours accumulated by each eligible undergraduate student against the lifetime-credit-hour limitation established pursuant to Section 4(5)(c). Each institution shall make the information on the number of credit hours accumulated against the limitations available to the student upon request.

Section 6. {College Opportunity Fund – advertisement – disclosure.} If an institution of higher education advertises, in the form of direct mail, print, radio, television, or via the Internet, a student's ability to receive a stipend from the College Opportunity Fund, the institution of higher education shall include in the advertisement the total cost of attending the institution, including a student's total tuition cost plus applicable fees.

Section 7. {College Opportunity Fund – information – notification.}

(1) It is the intent of the state legislature that the Board of Regents and the Commission inform students beginning in the eighth grade of the state's financial commitment to students to assist them in continuing their education by attending college and of the additional financial resources that may be available to the students in order to further their education.

(2) (a) The Commission shall work with the [state department of education] to notify annually eighth-grade students of the state's contribution to the College Opportunity Fund on behalf of resident students and the manner in which the students may receive additional information regarding financial resources for higher education including but not limited to the amount of the stipend and a student's ability to use specific websites to explore financial and academic options for preparing to enter college.

(b) The [administering agency] shall include information regarding the College Opportunity Fund on an Internet website to assist students in planning financially and academically to attend an institution of higher education in [State] including but not limited to the current value of the stipend.

Section 8. {College Opportunity Fund – directive.} The [administering program] and the state treasurer, in consultation with the governing boards, shall cooperatively establish a disbursement schedule for stipends awarded pursuant to Sections 3 through 8.

Section 9. {Governing boards – performance contract – authorization – operations.}

(1) As used in this section, unless the context otherwise requires: (a) "Private institution of higher education" shall have the same meaning as provided in Section 2(9). (b) "State institution of higher education" shall have the same meaning as provided in Section 2(10). (c) "Unfunded enrollment growth" means the amount of enrollment growth calculated pursuant to subsection (7) of this section that has not been funded for each governing board from state fiscal year [date] to [date].

(2) (a) Beginning [date], each governing board of a state institution of higher education shall negotiate a performance contract with the Board of Regents that shall specify the performance goals the institution shall achieve during the period that it operates under the performance contract. A state institution of higher education's compliance with the goals specified in the performance contract may be in lieu of the requirements of [statute(s) providing for determination of satisfaction of state higher education goals].

(b) If a private institution of higher education plans to accept stipends paid on behalf of eligible undergraduate students pursuant to Sections 3 through 8, the private institution of higher education shall negotiate a performance contract with the Board of Regents, which shall specify the performance goals the institution shall achieve during the period that it operates under the performance contract.

(c) The specified procedures and goals set forth in the performance contract shall be measurable and tailored to the role and mission of each institution that is under the direction and control of the governing board, and may include, but shall not be limited to:

(I) Improving [State] residents' access to higher education;

(II) Improving quality and success in higher education;

(III) Improving the efficiency of operations; and

(IV) Addressing the needs of the state.

(d) To measure progress toward the goals specified in the performance contract, the following issues may be addressed within the contract:

(I) Appropriate levels of student enrollment, transfer, retention, and graduation rates and institutional programs specifically designed to assist students in achieving their academic and, in the case of community and/or junior colleges, vocational goals.

(II) Student satisfaction and student performance after graduation, measured by indicators appropriate to the institutional role and mission, such as employment or enrollment in graduate programs;

(III) Comparative cost and productivity data in relation to peer institutions;

(IV) Assessment of the quality of the institution's academic and, where relevant, vocational programs, including assessment by external reviewers, such as accreditation boards and employers, and consideration of student performance on national examinations; and

(V) Increasing financial support to sustain and enhance essential functions that may be partially state funded, including but not limited to: (A) The provision of need-based and other student financial aid; (B) In the case of a state institution of higher education, capital construction; (C) Assessment of financial indicators compared to national benchmarks commonly used to measure financial performance in higher education according to the type of institution; and (D) increasing financial support to sustain and enhance the educational mission of the institution and, in the case of institutions with a research mission, increasing public and private research capabilities and competitiveness.

(e) Notwithstanding any other provision of this section to the contrary, increasing enrollment of underserved students, including low-income individuals, males, and minority groups, shall be addressed in each performance contract.

(f) Notwithstanding any provision of this subsection (2) to the contrary, the provisions of this subsection (2) shall not apply to any performance contract in place as of the date this act goes into effect, until the Board of Regents renegotiates such contract.

(3) All performance contracts between the Board of Regents and any state or private institution of higher education shall be reviewed and approved by the Commission before the contract may become effective.

(4) (a) Beginning January [year], and each January thereafter, the Board of Regents shall report to the members of the education committees of the Senate and the House of Representatives and the members of the Joint Budget Committee of the state legislature the financial effect of the provisions of each performance contract with regard to funding for the affected governing board of a state institution of higher education and overall funding for the statewide system of higher education, any exemptions granted pursuant to subsection (4) of this section, and a review of each state or private institution's performance contract. The term of a performance contract may be up to ten years. The Board of Regents may renew a performance contract at its discretion, with the agreement of the governing board.

(b) Beginning January [year], and each January thereafter, data collected and used to measure a state or private institution of higher education's progress towards the goals set forth in the institution's performance contract with the Board of Regents shall be made available to the members of the education committees of the House of Representatives and the Senate, members of the Joint Budget Committee, each governing board, and each institution of higher education covered by a performance contract. The Board of Regents shall also provide copies of the data to other members of the state legislature and members of the public on request.

(5) While operating pursuant to a performance contract negotiated pursuant to this section, the governing board of a state institution of higher education:

(a) Shall continue to operate as the governing board for the institution. In addition, at the request of the governing board, the governor may appoint additional advisory members to the governing board to sustain and enhance the role and mission of the institution. Additional members of the governing board shall serve as nonvoting members of the board and shall serve without compensation. The role of the advisory members shall be to improve the governing board's opportunities to develop and enrich the academic and research programs at the institution.

(b) Need not consult with nor obtain approval from the Commission to create, modify, or eliminate academic and vocational programs offered by the institution, so long as such creations, modification, and eliminations are consistent with the institution's statutory role and mission. The Commission shall have the authority to override any creation or modification of an academic or vocational program if the change made by the governing board is inconsistent with the institution's statutory role and mission.

(c) Shall report to the Commission its plans for any tuition increases for the following academic year for the Commission to forward to the state legislature during the annual budget process.

(6) While operating pursuant to a performance contract negotiated pursuant to this section, a state institution of higher education shall:

(a) Remain eligible for state-funded capital construction projects and controlled maintenance projects as provided in [statute];

(b) Continue to admit [State] resident applicants within the requirements of [statute governing resident admissions] who meet the admissions criteria of the institution.

(7) The Commission, in consultation with the governing boards, shall calculate the amount of unfunded enrollment growth. During the period that a governing board is operating pursuant to a performance contract negotiated pursuant to this section, the

Commission may request, as part of the annual budget cycle, a general fund appropriation for each governing board for the amount of unfunded enrollment growth, to the extent that there remains an amount of enrollment growth that is unfunded for the governing board.

(8) While a state institution of higher education is operating pursuant to a performance contract negotiated pursuant to this section, the state legislature retains the authority to approve tuition spending authority for the governing board of the institution.

Section 10. {Governing boards – fee-for-service contracts – authorization.}

(1) As used in this section, unless the context otherwise requires:

(a) "Board of Regents" shall have the same meaning as provided in Section 2(1).

(b) "Commission" shall have the same meaning as provided in Section 2(4).

(c) "State institution of higher education" shall have the same meaning as provided in Section 2(10).

(2) Beginning [date] the governing board of a state institution of higher education may annually negotiate a fee-for-service contract with the Board of Regents for the delivery of higher education services by the institution to the residents of the state of [State]. These services may include, but need not be limited to:

(a) educational services in rural areas or communities in which the cost of delivering the educational services is not sustained by the amount received in student tuition;

(b) basic skills courses, as defined in [statute];

(c) educational services associated with the high school fast-track program pursuant to [statute];

(e) educational services required of the Commission to meet its obligations under reciprocal agreements pursuant to [statute];

(f) graduate school services;

(g) educational services that may increase economic development opportunities in the state, including courses to assist students in career development and retraining; and

(h) specialized educational services and professional degrees, including but not limited to the areas of dentistry, medicine, veterinary medicine, nursing, law, forestry, and engineering.

(3) It is the intent of the state legislature that any institution under the direction and control of a governing board that enters into a fee-for-service contract for basic skills courses not charge a student more for a basic skills course than the student would otherwise pay per credit hour for any general education course.

Section 11. {Duties and powers of the Commission with regard to the provision of educational services.}

(1) Beginning [date], the Commission shall be responsible for ensuring the provision of specific postsecondary educational services in the state. These educational services shall include but need not be limited to:

(a) educational services in rural areas or communities in which the cost of delivering such services is not sustained by the amount received in student tuition;

(b) basic skills courses, as defined in [statute];

(c) educational services associated with the high school fast-track program pursuant to [state statute];

(d) educational services required of the Commission to meet its obligations under reciprocal agreements pursuant to [statute];

(e) graduate school services;

(f) educational services that may increase economic development opportunities in the state, including courses to assist students in career development and retraining; and

From CMD: This "model" legislation creates a voucher program to fund private colleges through a "college opportunity fund" subsidized by taxpayers. This approach is used in some states where some provide grants in the form of tax credits.

(g) specialized educational services and professional degrees, including but not limited to the areas of dentistry, medicine, veterinary medicine, nursing, law, forestry, and engineering.

(2) The Board of Regents on behalf of the Commission shall annually enter into fee-for-service contracts with one or more governing boards of institutions of higher education to provide the higher education services specified in subsection (1) of this section. The Board of Regents may contract with a governing board of an institution of higher education only to the extent that the contract remains consistent with any contract entered into pursuant to Section 9 with the governing board.

(3) The Commission shall make annual funding recommendations to the state legislature and the governor regarding the funding necessary for the Board of Regents to contract on the Commission's behalf for the provision of higher education services in the state, including but not limited to the services specified in subsection (1) of this section. The state legislature shall annually appropriate to the Commission an amount of general fund monies to carry out the purposes of this section.

Section 12. {Severability clause.}

Section 13. {Repealer clause.}

Section 14. {Effective date.}

Were *your* laws repealed?

Adopted by the Education Task Force at the Annual Meeting July 29, 2004. Approved by full ALEC Board of Directors August, 2004.