

College Tuition Savings Plan Advisory Commission
Minutes of Meeting Held: November 13, 1998
Rath, Young & Pignatelli Conference Room, Concord, NH

The twentieth meeting of the College Tuition Savings Plan Advisory Commission (the Commission) was called to order at 9:25 a.m., with Co-Chairman Richard Gustafson presiding. The following Commission members were present which resulted in a quorum:

<u>Member</u>	<u>Represents</u>
O. Alan Thulander	Representative from Francestown
Georgie A. Thomas	State Treasurer, Treasury Department
Richard A. Gustafson	President, New Hampshire College, Representing College and University Council
Edward MacKay	Vice Chancellor for Budget and Planning, University System of New Hampshire
Andrew R. Peterson	Representative from Peterborough
Michael A. Ablowich	Budget Director, Office of Governor, Representing the Governor
Ingrid Lemaire	Director of Public Relations, NH Higher Education Assistance Foundation
Mike Cryans	Public Member from Hanover Appointed by the Governor
Martha Gooze	Public Member from Durham Appointed by the Governor

The following members were absent:

Edward Gordon	Senator from Bristol
Mary Milliken	Business Administrator, Representing Regional Community Technical College System
Hannah M. McCarthy	President, Daniel Webster College, Representing Postsecondary Education Commission
Sylvia Larsen	Senator from Concord

Ren Cheng started the meeting off with a brief accounting of the 11.9 million in assets for the New Hampshire College Tuition Plan. As of October 31, 1998, 3,937 accounts were being held and for calendar year 1999 portfolio 2018 was to be added. Ren Cheng explained that more attention was being made on large cap stocks and that the recent market conditions were not a concern to him.

The next topic of discussion was the minutes of the October 9, 1998 meeting in which Georgie A. Thomas made the motion to approve the minutes and Edward MacKay seconded the motion. The motion passed unanimously.

Richard Gustafson of the legislative subcommittee briefly updated the commission on the draft legislation for the establishment of the endowment fund. A discussion ensued on several sections of the draft. The first change was to be to section 5 of the draft, which was the section entitled Endowment Fund Established. It was recommended that the following statement be added. Eligible postsecondary institutions are as defined in Internal Revenue Code, Section 529. The next change was to section 6c, which had read procedure for disbursement of scholarships and now reads; procedures for awarding and disbursing of scholarships. A new addition was made in section 6. Section 6d now reads procedure for determining the amount of funds available to provide scholarships on an annual basis. The only substantive change to section 7 was the change in wording from the Postsecondary Education Commission to the Commission shall make all scholarships in a fair and equitable manner and at such times as the commission shall determine to applicant residents of this state who have satisfactorily met the minimum qualifications established by the commission. In section 13 the following sentence was deleted: no more than 75% of the annual earnings shall be used each fiscal year to fund the scholarships awarded and administrative costs provided for section 12. A discussion ensued regarding Edward MacKay's proposal that some of the principal be used for scholarships. An informal poll determined that the majority of members were not in favor of that strategy for the scholarships. A motion was made by Georgie A. Thomas to adopt the draft legislation as changed. Representative Andrew Peterson seconded the motion. The motion passed unanimously.

The next meeting is scheduled for February 1st, to be held at the State House in Room 103. Martha Gooze made a motion to adjourn the meeting. Georgie A. Thomas seconded the motion. The motion passed unanimously. The meeting adjourned at 10:45 AM.