



# LAWS OF ALASKA

1970

Source

Chapter No.

FCCS SCS CSHB 599

230

## AN ACT

Providing for higher education scholarship loans and grants and state contractual agreements with accredited, privately sponsored institutions of higher education; and providing for an effective date.

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

\* Section 1. The purpose of this Act is to assist qualified Alaskan students selected by the designated authority to secure higher education in an institution of their choice, and to help retain qualified students in Alaska.

\* Sec. 2. AS 14.40.750 is amended to read:

Sec. 14.40.750. FUND CREATED. There is created a scholarship grant and loan fund as an account in the general fund. The fund shall be used to make scholarship grants or loans to students selected under secs. 750 - 849 of this chapter.

\* Sec. 3. AS 14.40.760 is amended to read:

Sec. 14.40.760. LIMITS ON GRANTS AND LOANS. (a) Each scholarship grant or loan made to a student may not exceed \$750 in any school year.

(b) Scholarship grants or loans may not be made to a student for more than four academic years.

\* Sec. 4. AS 14.40.770 is amended to read:

Sec. 14.40.770. RENEWAL PREFERENCE. A student who has been granted a scholarship grant or loan under secs. 750 - 849 of this chapter and is in good standing with the college or university he is attending shall have the right to renew his scholarship grant or loan the following academic year before any new commitment is made to a student who did not have a grant or loan the prior academic year.

The administering authority shall set a date each year when all applications for renewals must be made in order to have renewal preferences under this section.

\* Sec. 5. AS 14.40 is amended by adding a new section to read:

Sec. 14.40.775. CONDITIONS OF GRANTS. (a) Grants shall be given without obligation for repayment to students who are eligible and who are selected by the administering authority.

(b) Proceeds from scholarship grants may only be used for books, tuition, room and board, and required fees.

(c) Grants may only be used to attend a college or university in Alaska accredited by the Northwest Association of Secondary and Higher Schools.

(d) The student must continue to be enrolled as a full-time student in good standing at a college or university designated under (c) of this section in order to continue to receive aid under secs. 750 - 849 of this chapter.

(e) The amount of an authorized grant not expended from the treasury for the purposes authorized by this section shall lapse at the close of the academic year.

\* Sec. 6. AS 14.40.780(a) is amended to read:

(a) Proceeds from scholarship loans under sec. 750 - 849 of this chapter may only be used for books, tuition and required fees, and for room and board.

\* Sec. 7. AS 14.40.780(b) is amended to read:

(b) The loans may only be used to attend a college or university accredited by the accreditation association for the region in which the college or university is located.

\* Sec. 8. AS 14.40.780(i) is amended to read:

(i) A student who receives a scholarship loan under secs. 750 - 849 of this chapter and who stays in Alaska or who leaves the state for attendance at a graduate school or for service in the military and immediately returns to Alaska following termination of his graduate studies or military service shall receive forgiveness of \$750 of loan indebtedness for each full year the student remains thereafter in Alaska. Time spent in Alaska under this subsection shall be credited against the loans in the same order that the loans were made.

\* Sec. 9. AS 14.40.780(j) is amended to read:

(j) A student who does not qualify for forgiveness of all or a part of a loan made to him under secs. 750 - 849 of this chapter shall commence repayment of the unforgiven portion within one year after leaving the state or within one year after terminating his military service or graduate studies. The unforgiven portion shall be repaid

in an amount of not less than \$50 per month.

\* Sec. 10. AS 14.40.790 is amended to read:

Sec. 14.40.790. ELIGIBILITY OF STUDENTS. A student may apply for a scholarship grant or loan under secs. 750 - 849 of this chapter if

(1) he is a resident of Alaska, and

(2) he is either:

(A) enrolled as a full-time student in an associate or baccalaureate degree program; or

(B) a graduate of a high school, or scheduled for graduation from a high school within six months, with sufficient credits to be admitted to Alaskan colleges and universities defined under sec. 780(b) of this chapter.

\* Sec. 11. AS 14.40.800 is amended to read:

Sec. 14.40.800. SELECTION CRITERIA. In selecting from among the eligible students those students who will be awarded grants or loans under secs. 750 - 790 of this chapter, the administering authority shall take into consideration the following items:

(1) priority shall be given to entering freshmen who are graduates of Alaska high schools or who are graduates of a high school outside the state if their Alaskan residency has been continuous;

(2) the student's standardized test scores;

(3) the student's prior academic record;

(4) personal recommendation from the student's school;

(5) the financial need statement of the student;

(6) other items as may be determined by the administering authority;

(7) the administering authority shall consider comparative items of academic ability and financial need in determining the advisability of awarding a scholarship grant rather than a scholarship loan.

\* Sec. 12. AS 14.40.810 is amended to read:

Sec. 14.40.810. DISCRIMINATION PROHIBITED. The scholarship grant and loan program shall be carried out without regard to the race, creed, sex, color, ancestry, national origin, or membership in fraternal or political organizations of the student applying for the grant or loan.

\* Sec. 13. AS 14.40.820 is amended to read:

Sec. 14.40.820. ADMINISTERING AUTHORITY. The

scholarship grants and loans provided for under secs. 750 - 849 of this chapter shall be administered through the Department of Education by the Alaska Higher Education

Commission, authorized under AS 14.50.010 and 14.50.080 to comply with Title 1 of the Higher Education Facilities Act of 1963, Public Law 88-204. The commission may adopt regulations for carrying out the intent and purposes of secs. 750 - 849 of this chapter.

\* Sec. 14. AS 14.40.830 is repealed.

\* Sec. 15. AS 14.40.840 is amended to read:

Sec. 14.40.840. ENFORCEABILITY OF CERTAIN CONTRACTS WITH MINORS. A written obligation entered into by a minor at least 16 years of age, evidencing a grant, loan or other assistance received by him from any person for the purpose of furthering his education at an institution of higher learning, is enforceable against the minor with the same effect as if he were, at the time of its execution, 19 years of age if the person making the loan has in his records before making the loan a certification from the institution of higher learning that the minor is enrolled in the institution or has been accepted for enrollment.

\* Sec. 16. AS 14.40 is amended by adding new sections to read:

Sec. 14.40.849. DEFINITIONS. In secs. 750 - 840 of this chapter

(1) "academic year" means the period from September 1 of one year through August 31 of the following year;

(2) "full-time student" means a student who is enrolled and is in regular attendance at classes for at least 12 semester hours of credit during the semester;

(3) "resident" means a person who has resided in Alaska for at least one year before an application for a grant or loan is made under secs. 750 - 840 of this chapter.

#### ARTICLE 11. CONTRACTUAL AGREEMENTS WITH PRIVATE INSTITUTIONS OF HIGHER EDUCATION.

Sec. 14.40.900. CONTRACTUAL AGREEMENTS. The state shall, through the Alaska Higher Education Commission which has been authorized and created under AS 14.50.010 and 14.50.080, enter into contractual agreements with accredited, privately sponsored institutions of higher education in Alaska for the provision of educational services to Alaska residents. Payments under the contractual agreements shall include

(1) full tuition and required fees charged by the institution for each student less charges made for the same items at the University of Alaska or the appropriate community college; and

(2) an amount of \$250 a semester for each full-time student and a pro rata amount for each part-time student.

Sec. 14.40.910. EXCEPTIONS. No payment may be made for any course in sectarian religion or partisan politics under a contract made under sec. 900 of this chapter.

\* Sec. 17. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.