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1 IN THE HOUSE

2 HOUSE BILL NO. 166

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Michael Murphy scholarship
7 loan and grant fund."

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

9 * Section 1. AS 14.40 is amended by adding new sections to read:

10 ARTICLE 10. MICHAEL MURPHY SCHOLARSHIP LOAN AND GRANT FUND.

11 Sec. 14.40.850. DECLARATION OF PURPOSE. The purpose of this
12 scholarship loan and grant fund is to perpetuate the memory of Michael
13 Murphy, a member of the Alaska State Troopers, who, while on leave
14 from that division, gave his life for his adopted country in Vietnam
15 on May 22, 1968.

16 Sec. 14.40.860. FUND CREATED. There is created a scholarship
17 loan and grant fund as an account in the general fund of the treasury
18 of the state. The fund shall be used to provide educational scholarship
19 loans and grants to persons selected under secs. 850 - 930 of this
20 chapter.

21 Sec. 14.40.870. LIMITS ON LOANS AND GRANTS. (a) A scholarship
22 loan or grant to a recipient may not exceed \$1,500 a school year.

23 (b) The total amount of loans or grants to a recipient may not
24 exceed \$3,000.

25 Sec. 14.40.880. CONDITIONS OF LOANS AND GRANTS. (a) A loan or
26 grant may only be used to attend a college or university in Alaska.

27 (b) The recipient shall

28 (1) be a resident of Alaska, and

29 (2) be either

1 (A) enrolled in a program leading to an Associate or
2 Baccalaureate degree in the field of law enforcement, law, proba-
3 tion and parole or penology, or

4 (B) a graduate of a high school or scheduled for gradu-
5 ation from a high school within six months with sufficient credits
6 to be admitted to Alaskan colleges or universities and intend to
7 pursue a course of study in one of the fields in (A) of this sub-
8 section, or

9 (C) a serving member of a law enforcement agency in the
10 state and intend to pursue a course of study in his professional
11 field.

12 (c) The recipient must at all times continue to be enrolled as
13 a full-time student in good standing at a college or university desig-
14 nated under (a) of this section.

15 (d) In any year in which the scholarship loan and grant fund has
16 inadequate receipts to fund a loan or grant, no loan or grant may be
17 offered and the receipts will be added to the amount available in the
18 succeeding year.

19 (e) The administering authority may provide conditions in the
20 note signed by the recipient or in a separate document or communication
21 which will help it to carry out the provisions of secs. 850 - 930 of
22 this chapter.

23 Sec. 14.40.890. REPAYMENT OF LOANS. (a) Scholarship loans
24 shall be noninterest bearing and may not require security; however,
25 they shall provide for the payment of attorney fees and costs of
26 court if either or both are incurred in collection of the unpaid amount
27 owed on the loan.

28 (b) No part of a loan made under secs. 850 - 930 of this chapter
29 may be required to be repaid during an academic year in which the

1 student is attending a college or university in Alaska as a full-time
2 student in law enforcement, law, probation and parole and penology.

3 (c) Loans may be repaid at an accelerated rate at the option of
4 the student.

5 (d) If a loan is in default, the administering authority may
6 notify the student that repayment of the remaining balance is accelerated
7 and due by sending the student a notice by registered or certified
8 mail.

9 (e) A recipient of a scholarship loan under secs. 850 - 930 of
10 this chapter shall receive forgiveness of \$500 of loan indebtedness
11 for each one-year period he is employed full time in Alaska in law
12 enforcement or related fields.

13 (f) A student who does not qualify for forgiveness of all or a
14 part of a loan made to him under secs. 850 - 930 of this chapter shall
15 commence repayment of the unforgiven portion within six months after
16 leaving employment in law enforcement or related fields in the state
17 or within six months after terminating his studies. The unforgiven
18 portion shall be repaid in an amount of not less than \$50 per month.

19 Sec. 14.40.900. SELECTION CRITERIA. In selecting from eligible
20 applicants a person who will be granted a loan or a grant under secs.
21 850 - 930 of this chapter, the administering authority shall take into
22 consideration the following items:

- 23 (1) the physical, mental and moral qualities of the appli-
24 cant;
- 25 (2) the applicant's career goals and aspirations;
- 26 (3) the applicant's prior academic record;
- 27 (4) the applicant's standardized test scores for admittance
28 to an Alaskan college or university;
- 29 (5) the financial need of the applicant;

1 (6) other items as may be decided by the administering
2 authority to determine whether the chosen applicant will receive a
3 loan or a grant.

4 Sec. 14.40.910. DISCRIMINATION PROHIBITED. The scholarship loan
5 and grant program shall be carried out without regard to the race,
6 creed, sex, color, ancestry, national origin, or membership in frater-
7 nal or political organizations of the applicant.

8 Sec. 14.40.920. ADMINISTERING AUTHORITY. (a) The scholarship
9 loans and grants provided for under secs. 850 - 930 of this chapter
10 shall be administered through an uncompensated board consisting of
11 three Alaska state troopers, each one to be selected from and to
12 represent a state trooper region of the state by the regional commander
13 to serve for three years.

14 (b) The commissioner of administration and the commissioner of
15 public safety may adopt regulations for carrying out the intent and
16 purposes of secs. 850 - 930 of this chapter.

17 Sec. 14.40.930. FUNDING. (a) The scholarship loan and grant
18 fund provided for under secs. 850 - 930 of this chapter shall be funded
19 solely by voluntary contributions by state employees who may contribute
20 the value of not to exceed one day of annual leave a year to the
21 scholarship loan and grant fund.

22 (b) The Department of Administration shall pay to the account
23 of the scholarship loan and grant fund provided for under secs. 850 -
24 930 of this chapter an amount equal to the value of the total number
25 of days of annual leave contributed by state employees.

26 * Sec. 2. AS 39.20 is amended by adding a new section to read:

27 Sec. 39.20.245. DONATION OF ANNUAL LEAVE. A state employee may
28 donate one day of annual leave a year to the Michael Murphy scholarship
29 loan and grant fund under AS 14.40.850 - 14.40.930. The commissioner

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of administration shall pay to the account of the Michael Murphy scholarship loan and grant fund in the general fund an amount equal to the value of the day of annual leave contributed by the employee.