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Introduced: 2/12/70  
Referred: Health, Welfare and  
Education and Finance

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YOUNG

1 IN THE HOUSE

2 HOUSE BILL NO. 660

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Alaska higher education aid  
7 program."

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

9 \* Section 1. AS 14 is amended by adding a new chapter to read:

10 CHAPTER 42. ALASKA HIGHER EDUCATION AID PROGRAM.

11 Sec. 14.42.010. ESTABLISHMENT OF PROGRAM. There is created in  
12 the Department of Education and under its administration the Alaska  
13 higher education aid program to provide grants and loans to Alaskans  
14 pursuing advanced degrees.

15 Sec. 14.42.020. SELECTION COMMITTEE. (a) The program created  
16 in sec. 10 of this chapter shall be under the direction of a five-  
17 member selection committee composed of the chairman of the State Board  
18 of Education, the commissioner of education, and one member each  
19 appointed by the Board of Regents of the University of Alaska, the  
20 trustees of Sheldon Jackson College, and the trustees of Alaska Metho-  
21 dist University. Appointed members serve at the pleasure of their  
22 appointers. The chairman of the State Board of Education shall serve  
23 as chairman of the selection committee.

24 (b) Members of the selection committee serve without compensation  
25 but are entitled to per diem and travel expenses authorized by law for  
26 boards and commissions.

27 (c) The selection committee shall make an annual report to the  
28 governor reviewing the work of the committee.

29 (d) The selection committee shall meet at least once a year. The

1 meetings shall be held at the call of the chairman or upon petition of  
2 two members.

3 Sec. 14.42.030. APPLICATIONS. (a) Applicants shall be recom-  
4 mended by the appropriate body within each Alaska institution charged  
5 with the supervision of students seeking advanced degrees, and the  
6 application shall be submitted to the selection committee through the  
7 institution's representative on the committee. Applicants who are  
8 Alaska residents attending institutions outside the state and applicants  
9 who are not attending institutions shall apply directly to the commis-  
10 sioner of education.

11 (b) No grant or loan may be awarded to a person who is not a  
12 resident of the state and who has not resided in the state for the  
13 three years before application, but the time spent in military service  
14 or in attendance at institutions of higher learning outside the state  
15 counts as time in the state. Preference shall be given to graduates  
16 of Alaska high schools or colleges.

17 (c) Loans and grants may be approved for applicants to attend  
18 institutions outside of the state when the selection committee deter-  
19 mines that the specialty sought is not readily available in the state.

20 (d) A person whose application is not recommended to the committee  
21 by the body described in (a) of this section may appeal to the selection  
22 committee through the commissioner of education, and the committee shall  
23 consider the application.

24 Sec. 14.42.040. GRANTS AND LOANS. (a) Aid shall be given in the  
25 form of loans or combination grants and loans, but the amount of a  
26 grant may not exceed 30 per cent of the total amount given in aid to  
27 an applicant.

28 (b) A grant shall be considered a loan if, immediately after the  
29 advanced degree is received, the grantee fails to spend at least two

1 years employed in the state.

2 (c) A combined grant and loan to an applicant may not be more  
3 than \$6,000 in any one year, or ever total more than \$20,000, except  
4 that if an applicant specifically applies for an exclusion based on  
5 the unavailability of a degree being obtainable in the state, and the  
6 selection committee determines that the obtaining of the degree is in  
7 the public interest, the allowable amounts are \$10,000 in any one year  
8 and \$30,000 total.

9 (d) Interest on a loan given under this chapter shall be at the  
10 rate of four per cent while the person receiving the loan is a resident  
11 of the state, and at the rate of eight per cent while he is no longer  
12 a resident of the state. Time spent in military service and attendance  
13 at institutions of higher learning outside the state are considered  
14 Alaska residency for the purpose of interest payments.

15 Sec. 14.42.050. FUND CREATED. There is created a higher education  
16 aid fund as an account in the general fund to be used to make loans  
17 and grants under this chapter.

18 Sec. 14.42.060. REGULATIONS. The selection committee shall  
19 promulgate, under the Administrative Procedure Act (AS 44.62), the regu-  
20 lations necessary to carry out the purposes of this chapter.  
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