

Introduced: 2/14/74  
Referred: Health, Education  
& Social Services and  
Finance

1 IN THE HOUSE

BY ORSINI

2 HOUSE BILL NO. 627

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the Harvey Golub Memorial  
7 Scholarship Loan Fund; and providing for an effective  
8 date."

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

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

11 ARTICLE 11. HARVEY GOLUB MEMORIAL

12 SCHOLARSHIP LOAN FUND.

13 Sec. 14.40.891. DECLARATION OF PURPOSE. The purpose of the Harvey  
14 Golub Memorial Scholarship Loan Fund is to perpetuate the memory of  
15 Harvey Golub, of Juneau, who was chief engineer of the bridge design  
16 section of the Department of Highways of the State of Alaska and whose  
17 accidental and untimely death September 13, 1971, cut short a widely-  
18 respected career in civil engineering.

19 Sec. 14.40.893. FUND CREATED. There is created a scholarship  
20 revolving loan fund. The fund shall be used to provide educational  
21 scholarship loans to students selected under secs. 891 - 907 of this  
22 chapter. All repayments of principal shall be paid into the scholarship  
23 revolving loan fund and shall be used to make new scholarship loans.

24 Sec. 14.40.895. LIMITS ON LOANS. A scholarship loan to a re-  
25 cipient may not exceed \$2,500 a school year for an undergraduate  
26 student or \$5,000 a school year for a graduate student. Loans may not  
27 be made to a student for more than six years.

28 Sec. 14.40.897. CONDITIONS OF LOANS. (a) A loan may be used  
29 only to pursue a degree program in an accredited college or university

1 in civil, mechanical, electrical, electronic, petroleum, mining, traffic  
2 and transportation, sanitary, chemical or other recognized field of  
3 engineering.

4 (b) The recipient shall be a resident of Alaska and either

5 (1) enrolled as a full-time undergraduate or graduate student  
6 leading to an Associate Baccalaureate or Graduate degree program in a  
7 field of study listed in (a) of this section;

8 (2) a graduate of a high school, or scheduled for graduation  
9 from a high school within six months, with sufficient academic credits  
10 to be admitted to a college or university intending to pursue a course  
11 of study leading to a degree in one of the fields listed in (a) of this  
12 section; or

13 (3) an officer or employee of a department or agency in the  
14 state who intends to pursue a course of study in his professional field  
15 leading to a degree in one of the fields listed in (a) of this section.

16 (c) The recipient must at all times continue to be enrolled as a  
17 full-time student in good standing at a college or university.

18 (d) In any year in which the scholarship revolving loan fund  
19 created under sec. 893 of this chapter has inadequate receipts to fund a  
20 loan, no loan may be offered and the receipts will be added to the  
21 amount available in the succeeding year.

22 (e) The administering authority may provide conditions in the note  
23 signed by the recipient or in a separate document or communication that  
24 will help it carry out the provisions of secs. 891 - 907 of this chapter.

25 Sec. 14.40.899. REPAYMENT OF LOANS. (a) Scholarship loans shall  
26 be noninterest-bearing and security for the loan may not be required.  
27 However, the note signed by the recipient shall provide for the payment  
28 of attorney fees, costs of court and skip-tracing fees if any are in-  
29 curred in collection of the unpaid amount owed on the loan.

1 (b) No part of a loan made under secs. 891 - 907 of this chapter  
2 need be repaid during an academic year in which the student is attending  
3 a college or university as a full-time student.

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

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

10 (e) A recipient of a scholarship loan under secs. 891 - 907 of  
11 this chapter who graduates from a degree program shall receive foregive-  
12 ness of one-fifth of loan indebtedness for each one-year period he is  
13 employed full-time in Alaska in a recognized branch of the engineering  
14 profession or other closely related fields. That portion of the loan  
15 that is forgiven shall be considered a grant to the recipient.

16 (f) A student who does not qualify for forgiveness of all or a  
17 part of the loan made to him under secs. 891 - 907 of this chapter shall  
18 begin repayment of the unforgiven portion within six months after  
19 leaving employment in a recognized branch of the engineering profession  
20 or other closely related fields in the state or within six months after  
21 terminating his studies. The unforgiven portion shall be repaid in an  
22 amount, and at a monthly rate, to be determined by the administering  
23 authority after consultation with the student, but in any event not less  
24 than \$50 a month.

25 Sec. 14.40.901. SELECTION. (a) In selecting from among eligible  
26 applicants a person who will be granted a loan under secs. 891 - 907 of  
27 this chapter, the administering authority shall consider the following:

- 28 (1) the applicant's career goals and aspirations;  
29 (2) the applicant's prior academic record;

1 (3) the financial need of the applicant; and

2 (4) other items that may be considered relevant by the  
3 administering authority to determine whether an applicant will receive  
4 a loan.

5 (b) To assist the administering authority in selecting eligible  
6 applicants for award of scholarship loans under secs. 891 - 907 of this  
7 chapter, and the student loan and tuition grant selection committee in  
8 reviewing this loan program, the committee may be augmented by two mem-  
9 bers of the state Board of Registration for Architects, Engineers and  
10 Land Surveyors selected annually by the board from among its engineer  
11 members.

12 Sec. 14.40.903. DISCRIMINATION PROHIBITED. The scholarship loan  
13 program shall be carried out without regard to the race, creed, sex,  
14 color, ancestry, national origin, or membership in fraternal or politi-  
15 cal organizations of the applicant.

16 Sec. 14.40.905. ADMINISTERING AUTHORITY. (a) The scholarship  
17 loans provided for under secs. 891 - 907 of this chapter shall be admin-  
18 istered by the executive secretary of the student loan and tuition  
19 grant selection committee under secs. 753 and 757 of this chapter, sub-  
20 ject to review by the committee and those regulations the committee may  
21 prescribe to carry out the purposes of secs. 891 - 907 of this chapter.

22 (b) To the extent that they are not in conflict with the provisions  
23 of secs. 891 - 907 of this chapter, the provisions of secs. 751 - 806  
24 of this chapter relating to scholarship loans are applicable to loans  
25 made under secs. 891 - 907 of this chapter.

26 Sec. 14.40.907. FUNDING. (a) The scholarship revolving loan fund  
27 provided for under sec. 893 of this chapter shall be funded by voluntary  
28 contributions by state employees who may contribute the value of one or  
29 more days of annual leave a year to the scholarship revolving loan fund.

1 (b) The Department of Administration shall pay to the account of  
2 the scholarship revolving loan fund established under sec. 893 of this  
3 chapter an amount equal to the value of the total number of days of  
4 annual leave contributed by state employees under (a) of this section.

5 (c) The administering authority may accept contributions from  
6 private sources for the scholarship revolving loan fund created under  
7 sec. 893 of this chapter, and these contributions shall be deposited in  
8 the scholarship revolving loan fund created under sec. 893 of this  
9 chapter.

10 \* Sec. 2. This Act takes effect on the day after its passage and approval  
11 or on the day it becomes law without approval.

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