

Original sponsor: Rules Committee by request  
of the Governor

Offered: 5/4/77  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

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CS FOR HOUSE BILL NO. 224 (Finance)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to postsecondary education; and pro-  
7 viding for an effective date."

8

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

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\* Section 1. AS 14.40.763(b) is amended to read:

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(b) The loans may only be used to attend a career education pro-  
11 gram approved by the commission [DEPARTMENT OF EDUCATION] or a college  
12 or university accredited by the accreditation association for the region  
13 in which the college or university is located.

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\* Sec. 2. AS 14.40.763(e) is amended to read:

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(e) Loans are noninterest bearing while a student is enrolled  
16 under (c) of this section or is receiving a deferment of payments under  
17 (k) of this section [FULFILLING REQUIRED MILITARY SERVICE].

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\* Sec. 3. AS 14.40.763(g) is repealed and re-enacted to read:

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(g) The repayment period for student loans is 10 years. Unless a  
20 deferment of payments has been granted under (k) of this section,  
21 repayment shall commence when the student terminates his studies. In  
22 case of hardship, the committee may extend repayment of a loan for an  
23 additional period of up to five years.

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\* Sec. 4. AS 14.40.763 is amended by adding a new subsection to read:

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(k) The committee may defer repayment of a loan during any of the  
26 following:

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(1) the first year after a student terminates his studies;

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(2) return by the student to student status as provided in

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(c) of this section;

1 (3) performance by the student of military or required alter-  
2 native service; or

3 (4) 50 per cent or greater disability of the student, as  
4 certified by competent medical authority.

5 \* Sec. 5. AS 14.40.806(1) is amended to read:

6 (1) "career education" means a course or program in voca-  
7 tional-technical training or education approved by the commission [DE-  
8 PARTMENT OF EDUCATION];

9 \* Sec. 6. AS 14.40.806(2) is amended to read:

10 (2) "full-time student" means an undergraduate or career  
11 education [A] student who is enrolled and is in regular attendance at  
12 classes for at least 12 semester hours of credit or the equivalent  
13 during the semester or a graduate student who is enrolled and is in  
14 regular attendance at classes for at least nine semester hours of  
15 credit or the equivalent; any combination of [12 OR MORE] semester hours  
16 of credit, or the equivalent, aggregating to the requisite number of  
17 semester hours and undertaken during a semester at two or more public or  
18 private institutions of higher education operating under a consortium  
19 constitutes full-time student status;

20 \* Sec. 7. AS 14.40.806(3) is amended to read:

21 (3) "part-time student" means a student who is enrolled and is  
22 in regular attendance at classes for at least three but less than the  
23 [TWELVE] semester hours of credit required for full-time student status  
24 under (2) of this section during the semester;

25 \* Sec. 8. The change in the repayment period of student loans set out in  
26 AS 14.40.763(g) as amended by sec. 3 of this Act and the additional bases for  
27 granting a deferment of repayment of a student loan set out in AS 14.40.763-  
28 (k) as enacted by sec. 4 of this Act shall, upon request of the loan reci-  
29 pient, be applied retroactively to the outstanding balance of principal of

1 and accrued interest on loans made under AS 14.40.751 - 14.40.806 as they  
2 read before the effective date of this Act.

3 \* Sec. 9. This Act takes effect immediately in accordance with AS 01.-  
4 10.070(c).

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