

Original sponsors: Gardiner, Miller,
Rogers, et al

Offered: 3/6/81
Referred: Finance

1 IN THE HOUSE

BY THE HEALTH, EDUCATION
AND SOCIAL SERVICES COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 32 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to undergraduate and graduate scholar-
7 ship loans; and providing for an effective date."

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

9 * Section 1. AS 14.40.759 is amended to read:

10 Sec. 14.40.759. UNDERGRADUATE LOANS. The committee may make a
11 loan, not to exceed \$6,000 [\$3,000] in any one school year, to an
12 undergraduate student eligible under AS 14.40.765.

13 * Sec. 2. AS 14.40.761 is amended to read:

14 Sec. 14.40.761. GRADUATE LOANS. The committee may make a loan,
15 not to exceed \$8,500 [\$5,000] in any one school year, to a graduate
16 student who is eligible under AS 14.40.765 and is pursuing an advanced
17 degree.

18 * Sec. 3. AS 14.40.763(d) is amended to read:

19 (d) Scholarship loans may not be made to a student

20 (1) for more than five years of undergraduate study;

21 (2) for more than five years of graduate study;

22 (3) for more than a total of eight [SIX] years of under-
23 graduate and graduate study.

24 * Sec. 4. AS 14.40.763(1) is amended to read:

25 (1) If a loan is in default, the commission shall [MAY] notify
26 the borrower [STUDENT] that repayment of the remaining balance is
27 accelerated and due by sending the borrower [STUDENT] a notice by
28 registered or certified mail.

29 * Sec. 5. AS 14.40.763(j) is amended to read:

1 (j) A portion of a loan shall be paid on behalf of the borrower
2 by the state if, upon completion of the course of study for which the
3 loan was granted, the borrower spends at least three years employed in
4 the state. The portion of the loan which shall be paid by the state
5 shall be the following percentages of the total loan received plus
6 interest for up to a total of 30 [40] percent of the total loan:

7 (1) two - three years residency, 10 percent;

8 (2) three - four years residency, an additional 10 percent;

9 (3) four - five years residency, an additional 10 percent;

10 (4) [OVER] five - six years residency, an additional 10
11 percent; and

12 (5) over six years residency, an additional 10 percent.

13 * Sec. 6. AS 14.40.763 is amended by adding a new subsection to read:

14 (o) The provisions of (j) of this section do not apply to a loan
15 to a borrower who has been named in a complaint and issued a summons to
16 appear as a defendant in an action by the state or by the commission to
17 secure payment of the unpaid balance of a loan made under AS 14.40.759
18 or 14.40.761.

19 * Sec. 7. This Act takes effect July 1, 1981.
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