

Introduced: 2/22/82
Referred: Health, Education &
Social Services and Finance

1 IN THE HOUSE

BY BEIRNE, MARTIN AND HALFORD

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 709

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to scholarship loans; and providing
7 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 \$4,000 [\$6,000] in any one school year, to an under-
12 graduate 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 \$6,000 [\$7,000] 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(c) is amended to read:

19 (c) To maintain a loan the student must continue to be enrolled as
20 a full-time student in good standing in a career education program,
21 college or university designated under (b) of this section. The com-
22 mission shall adopt regulations defining "full-time" for purposes of
23 this subsection as at least 26 semester hours or an equivalent amount
24 of study each year for an undergraduate student. The commission shall
25 adopt regulations defining "good standing" for purposes of this subsec-
26 tion as maintaining not less than a 2.0 or equivalent grade point average
27 (based on a 4 point grading system) for each academic year. The require-
28 ment that a student be enrolled as a full-time student in good standing
29 may be waived by the commission for a disadvantaged student for good

1 cause. At the end of each academic year the student shall submit proof
2 to the committee of the number of credit hours completed and grades
3 received.

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

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

6 (1) for more than four [FIVE] years of undergraduate study;

7 and

8 (2) for more than four [FIVE] years of graduate study [;

9 (3) FOR MORE THAN A TOTAL OF EIGHT YEARS OF UNDERGRADUATE AND
10 GRADUATE STUDY].

11 * Sec. 5. AS 14.40.763(f) is amended to read:

12 (f) Interest on a loan given under AS 14.40.751 - 14.40.806 is at
13 the rate of six [FIVE] percent a year. Interest accrues beginning on
14 the day the borrower receives the money until principal and interest on
15 the loan are fully repaid.

16 * Sec. 6. AS 14.40.765(b)(1) is amended to read:

17 (1) has been physically present in the state for at least two
18 years immediately before the date the application is filed. [UNLESS HIS
19 ABSENCE FROM THE STATE DURING ANY PART OF THE TWO YEARS WAS DUE TO
20 MILITARY SERVICE; OR]

21 * Sec. 7. AS 14.40 is amended by adding a new section to read:

22 Sec. 14.40.766. APPLICATION. (a) An application for a scholar-
23 ship loan for an academic year must be filed with the commission by
24 May 15 of the previous academic year.

25 (b) Affidavits from at least four residents other than the appli-
26 cant must be submitted with an application for a scholarship loan. Each
27 affidavit must state that the affiant knows that the applicant is a
28 resident and has been in the state for at least two years immediately
29 before the date the application is filed. Each affidavit must bear a

1 printed notice that a false statement made in it is an offense punishable
2 by law. For purposes of this subsection a resident is a person who has
3 been physically present in the state for at least two years immediately
4 before the date the application for a scholarship loan is filed.

5 * Sec. 8. AS 14.40.765(b)(2) is repealed.

6 * Sec. 9. This Act takes effect July 1, 1982.

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