

Original sponsors: Beirne, Martin  
and Halford

Offered: 3/5/82  
Referred: Finance

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

2 CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 709 (HESS)

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 14.40.763(d) is amended to read:

10 (d) Scholarship loans may not be made to a borrower [STUDENT]

11 (1) for more than four [FIVE] years of undergraduate study  
12 unless the program of study requires more than four years attendance,  
13 and in that case the loans may be made for not more than five years of  
14 undergraduate study;

15 (2) for more than four [FIVE] years of graduate study unless  
16 the program of study requires more than four years attendance, and in  
17 that case the loans may be made for not more than five years of graduate  
18 study;

19 (3) for more than a total of eight years of undergraduate and  
20 graduate study.

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

22 (f) Interest on a loan given under AS 14.40.751 - 14.40.806 is at  
23 the rate of six [FIVE] percent a year.

24 \* Sec. 3. AS 14.40.763(k)(2) is amended to read:

25 (2) serving a first enlistment period of up to four years on  
26 active duty as a member of the armed forces of the United States;

27 \* Sec. 4. AS 14.40.765(a) is amended by adding a new paragraph to read:

28 (4) is not delinquent or in default on a previously awarded  
29 scholarship loan.

1 \* Sec. 5. AS 14.40 is amended by adding a new section to read:

2 Sec. 14.40.766. APPLICATION. (a) An application for a scholar-  
3 ship loan must be filed with the commission by

4 (1) July 15 for a semester beginning July 1 to October 31 of  
5 that year;

6 (2) November 15 for a semester beginning November 1 of that  
7 year to February 29 of the following year;

8 (3) March 15 for a semester beginning March 1 to June 30 of  
9 that year.

10 (b) Affidavits from at least four residents other than the appli-  
11 cant must be submitted with an application for a scholarship loan. Each  
12 affidavit must state that the affiant knows that the applicant has been  
13 physically present in the state for at least two years immediately  
14 before the date the application is filed or was absent during any part  
15 of the two years due to military service or attending the career educa-  
16 tion program, college or university identified in the affidavit. Each  
17 affidavit must bear a printed notice that a false statement made in it  
18 is an offense punishable by law. For purposes of this subsection resi-  
19 dents are individuals who have been physically present in the state for  
20 at least two years immediately before the date the application for a  
21 scholarship loan is filed.

22 \* Sec. 6. AS 14.40.767(a) is amended to read:

23 (a) The selection committee shall grant loans based on total point  
24 accumulations under this subsection with priority going to those appli-  
25 cants with the highest point accumulations, except as provided in (b) of  
26 this section [FOR LOAN APPLICATIONS COMPLETED BEFORE MAY 15 OF EACH  
27 YEAR]. Points shall be awarded to applicants based upon student status  
28 and continuous Alaskan residency, according to the following schedule:

29 (1) student status:

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(A) continuing undergraduate and graduate students with existing Alaska scholarship loans..... 4 points

(B) continuing undergraduate and graduate students without existing Alaska scholarship loans..... 3 points

(C) freshmen..... 2 points

(D) new graduate students without existing Alaska scholarship loans..... 1 point

(2) continuous Alaskan residency:

(A) students with continuous Alaskan residency of 10 years or more..... 3 points

(B) students with continuous Alaskan residency of at least 5 years and less than 10 years..... 2 points

(C) students with continuous Alaskan residency of more than 2 years and less than 5 years..... 1 point

(3) students attending Alaska colleges or universities ..... 1 point

\* Sec. 7. AS 14.40.767(b)(2) is repealed.

\* Sec. 8. This Act takes effect July 1, 1982.