

Introduced: 2/9/82  
Referred: Health, Education &  
Social Services and Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 734

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 student loans; and providing for an  
7 effective date."

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

9 \* Section 1. AS 14.40.765 is amended to read:

10 Sec. 14.40.765. ELIGIBILITY FOR A BASIC SCHOLARSHIP LOAN [OF  
11 STUDENTS]. (a) A person may apply for and obtain a basic scholarship  
12 loan in an amount not to exceed \$3,000 if the person

13 (1) is a resident of the state at the time he applies for a  
14 scholarship loan;

15 (2) meets the requirements of (b) of this section; and

16 (3) is

17 (A) enrolled as a full-time student in a career educa-  
18 tion or associate or baccalaureate or graduate degree program; or

19 (B) a graduate of a high school, or scheduled for gradu-  
20 ation from a high school within six months, with sufficient credits  
21 to be admitted to a career education program or to an accredited  
22 college or university.

23 (b) In addition to the requirements of (a) of this section, to  
24 obtain a basic scholarship loan a person must have been a resident of  
25 the state for at least two years at the time he applies for the loan.  
26 For purposes of this subsection, a person qualifies as a resident of the  
27 state if at the time he applies for the loan the person

28 (1) has been present in the state for at least two years  
29 unless his absence from the state during any part of the two years was

1 due to military service; or

2 (2) is a person who is dependent on a parent or guardian for  
3 his care, and the parent or guardian has been present in the state for  
4 at least two years.

5 \* Sec. 2. AS 14.40 is amended by adding a new section to read

6 Sec. 14.40.766. ELIGIBILITY FOR A SUPPLEMENTAL SCHOLARSHIP LOAN.

7 (a) A person may apply for and obtain a supplemental scholarship loan  
8 if the person

9 (1) meets the eligibility requirements of AS 14.40.765; and

10 (2) satisfies a financial need test established by the student  
11 financial aid committee by regulations adopted under AS 14.40.757.

12 (b) A supplemental scholarship loan may not exceed \$3,000 for an  
13 undergraduate or \$4,000 for a graduate student.

14 (c) A supplemental scholarship loan is to be awarded in addition  
15 to and not instead of a basic scholarship loan.

16 \* Sec. 3. AS 14.40.767 is amended to read:

17 Sec. 14.40.767. SELECTION CRITERIA. (a) The selection committee  
18 shall grant both basic scholarship loans under AS 14.40.765 and supple-  
19 mental scholarship loans under AS 14.40.766 based on total point accum-  
20 lations under this subsection with priority going to those applicants  
21 with the highest point accumulations, except as provided in (b) of this  
22 section for loan applications completed before May 15 of each year.  
23 Points shall be awarded to applicants based upon student status and  
24 attendance at Alaska institutions [CONTINUOUS ALASKAN RESIDENCY], accord-  
25 ing to the following schedule:

26 (1) student status:

27 (A) continuing undergraduate and graduate students with  
28 existing Alaska scholarship loans . . . . . 8 [4] points

29 (B) continuing undergraduate and graduate students

1 without existing Alaska scholarship loans . . . . . 7 [3] points  
2 (C) freshmen . . . . . 6 [2] points  
3 (D) new graduate students without existing Alaska schol-  
4 arship loans. . . . . 5 points [1 POINT]  
5 [2] CONTINUOUS ALASKAN RESIDENCY:  
6 (A) STUDENTS WITH CONTINUOUS ALASKAN RESIDENCY OF 10  
7 YEARS OR MORE . . . . . 3 POINTS  
8 (B) STUDENTS WITH CONTINUOUS ALASKAN RESIDENCY OF AT  
9 LEAST 5 YEARS AND LESS THAN 10 YEARS. . . . . 2 POINTS  
10 (C) STUDENTS WITH CONTINUOUS ALASKAN RESIDENCY OF MORE  
11 THAN 2 YEARS AND LESS THAN 5 YEARS. . . . . 1 POINT]  
12 (3) students attending Alaska institutions [COLLEGES OR  
13 UNIVERSITIES] . . . . . 5 points [1 POINT]  
14 (b) In awarding loans, the selection committee shall award loans  
15 to applicants based upon the earliest date of completed applications if  
16 [(1) THE APPLICANT HAS ACCUMULATED AT LEAST 5 POINTS UNDER  
17 (a) OF THIS SECTION: AND  
18 (2)] the applicant has filed a completed application not  
19 later than May 15 of the year for which the loan is requested.  
20 \* Sec. 4. AS 14.40.751(b) and (c) are repealed.  
21 \* Sec. 5. AS 14.40.763(j) is repealed.  
22 \* Sec. 6. The repeal of the loan-forgiveness provision by sec. 5 of this  
23 Act is applicable only to scholarship loans awarded after the effective date  
24 of that repeal.  
25 \* Sec. 7. Sec. 5 of this Act takes effect immediately in accordance with  
26 AS 01.10.070(c). The remainder of this Act takes effect on January 1, 1983.  
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