

Offered: 2/28/84
Referred: House Special Committee
on State Loans and Finance

Original sponsors: Hayes, Hurlbert,
Adams, et al

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2

CS FOR HOUSE BILL NO. 504 (HESS)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act establishing the teacher scholarship loan
7 program."

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

9 * Section 1. AS 14.43 is amended by adding new sections to read:

10 ARTICLE 7. TEACHER SCHOLARSHIP LOAN PROGRAM.

11 Sec. 14.43.600. FINDINGS AND INTENT. (a) The legislature finds
12 that there is a wide and unacceptable disparity between the distribu-
13 tion of Native teachers and Native students in elementary and second-
14 ary schools in the state. Particularly in rural areas, many schools
15 have virtually no Native teachers and no non-Native students. The
16 undesirable effects of this disparity include the following:

17 (1) there is a serious weakness in the ability of teaching
18 staffs, particularly in rural schools, to foster a sense of Native
19 traditions and cultures in the Native students;

20 (2) many rural students are forced to exist in two entirely
21 separate situations: the essentially traditional atmosphere of many
22 Native homes, and the essentially modern atmosphere of the classroom;

23 (3) almost no Native students return to rural schools to
24 teach, continuing the imbalance and exacerbating its effects; and

25 (4) there is an annual turnover of 40 percent among teach-
26 ers in rural educational attendance areas in the state.

27 (b) The legislature further finds that existing programs have
28 failed to increase the proportion of Natives teaching in rural
29 schools. Therefore, it is the intent of the legislature to establish

1 the teacher scholarship loan program to encourage Natives to return to
2 rural schools as teachers and relieve the conditions described in this
3 section.

4 Sec. 14.43.610. PROGRAM ESTABLISHED. There is established the
5 teacher scholarship loan program to provide an incentive for Native
6 high school graduates to pursue teaching careers in elementary and
7 secondary schools in the state.

8 Sec. 14.43.620. TEACHER SCHOLARSHIP REVOLVING LOAN FUND. There
9 is created a teacher scholarship revolving loan fund. The fund shall
10 be used to make scholarship loans to students selected under AS 14.-
11 43.600 - 14.43.700. All repayments of principal and interest on
12 teacher scholarship loans shall be paid into the teacher scholarship
13 revolving loan fund and shall be used to make new teacher scholarship
14 loans. If estimated funds available from teacher scholarship loan
15 repayments are inadequate to fully fund estimated teacher scholarship
16 loans for any fiscal year, additional funding from the general fund
17 may be requested and appropriated for that year.

18 Sec. 14.43.630. ADMINISTRATION. (a) The teacher scholarship
19 loan program shall be administered by the student financial aid
20 committee (AS 14.43.095) in accordance with regulations adopted by the
21 committee. The committee shall

22 (1) allocate the loan awards available for teacher
23 scholarship loans annually to local school boards giving a preference
24 to school districts with a high percentage of Native students and a
25 low percentage of Native teachers;

26 (2) designate the secondary and elementary schools that
27 have a high percentage of Native students for the purposes of
28 AS 14.43.640(b); and

29 (3) develop and distribute to the local school boards an

1 application form for teacher scholarship loans; the form shall include
2 a requirement that the applicant supply a high school academic trans-
3 cript and a statement of intent to enter a teaching career at the
4 elementary or secondary school level in the state.

5 (b) The local school boards shall select the recipients of the
6 teacher scholarship loans according to the criteria in AS 14.43.650.

7 Sec. 14.43.640. CONDITIONS OF LOANS. (a) The conditions pro-
8 vided in AS 14.43.120 apply to teacher scholarship loans except that
9 loans may not be made to graduate students.

10 (b) If a borrower meets the conditions provided in (a) of this
11 section and is employed as a teacher in a school designated by the
12 student financial aid committee as having a high percentage of Native
13 students, the portion of the loan that shall be paid by the state,
14 notwithstanding AS 14.43.120(j), is the following percentages of the
15 total loan received plus interest up to a total of 100 percent of the
16 total loan:

- 17 (1) one year employment, 15 percent;
- 18 (2) two years employment, an additional 15 percent;
- 19 (3) three years employment, an additional 15 percent;
- 20 (4) four years employment, an additional 25 percent;
- 21 (5) over four years employment, an additional 30 percent.

22 (c) A loan may not exceed \$10,000 in a school year.

23 Sec. 14.43.650. SELECTION CRITERIA. (a) To be eligible for a
24 teacher scholarship loan, a student must

25 (1) be a graduate of, or scheduled for graduation within
26 six months from, a public or private high school in the state, with
27 sufficient credits to be admitted to an accredited college or
28 university;

29 (2) be enrolled in or show evidence of intent to enroll in

1 a. degree program directed at a teaching career at the elementary or
2 secondary school level;

3 (3) meet the conditions set by the student's local school
4 board with respect to the district's requirements for teachers in
5 particular subject areas; and

6 (4) submit to the local school board an application pro-
7 vided by the student financial aid committee under AS 14.43.630(a)(3).

8 (b) A local school board shall award teacher scholarship loans
9 giving a preference to Native students that meet the qualifications
10 for a loan and taking into account the students' academic records.

11 (c) A student may not be awarded a scholarship loan under
12 AS 14.43.090 - 14.43.160 and a teacher scholarship loan under AS 14.-
13 43.600 - 14.43.700 for the same school year.

14 Sec. 14.43.700. DEFINITION. In AS 14.43.600 - 14.43.700,
15 "Native" means any person who is a descendant of a member of the
16 aboriginal races inhabiting the state when annexed to the United
17 States, or who is a descendant of an Indian or Eskimo who, since the
18 year 1867 and prior to June 30, 1952, migrated into the state from
19 Canada, and who is a descendant having at least one-quarter blood
20 derived from these ancestors.