

Offered: 3/28/84  
Referred: Finance

Original sponsor: Rules/Governor

1 IN THE SENATE BY THE JUDICIARY COMMITTEE

2 CS FOR SENATE BILL NO. 385 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to postsecondary education; and  
7 providing for an effective date."

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

9 \* Section 1. AS 14.43.120(k) is amended to read:

10 (k) Periodic installments of principal shall be deferred, but  
11 interest shall accrue and be paid unless the student is eligible for  
12 interest payment benefits under (1) of this section during any of the  
13 following:

14 (1) return to student status as provided in (c) of this  
15 section;

16 (2) serving an initial period of up to four years on active  
17 duty as a member of the armed forces of the United States;

18 (3) serving, for up to three years, as a full-time volun-  
19 teer under the Peace Corps Act;

20 (4) serving, for up to three years, as a full-time volun-  
21 teer under the Domestic Volunteer Service Act of 1973;

22 (5) for a one-time period up to 12 months in which the  
23 borrower is seeking and unable to find employment in the United  
24 States; or

25 (6) if the borrower becomes 50 percent or more disabled as  
26 certified by competent medical authority.

27 \* Sec. 2. AS 14.43.125 is repealed and reenacted to read:

28 Sec. 14.43.125. ELIGIBILITY OF STUDENTS. (a) A person may  
29 apply for and obtain a scholarship loan if the person

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(1) is

(A) enrolled as a full-time student in a career education, associate, baccalaureate, or graduate degree program; or

(B) a graduate of a high school or the equivalent, or scheduled for graduation from a high school within six months, with sufficient credits to be admitted to a career education program or to an accredited college or university;

(2) is not delinquent or in default on a previously awarded scholarship loan; and

(3) is a resident of the state at the time of application for the loan; for purposes of this section, a person qualifies as a resident of the state if at the time of application for the loan the person

(A) has been physically present in the state for at least two years immediately before the time of application for the loan;

(B) is dependent on a parent or guardian for care, the parent or guardian has been present in the state for at least two years immediately before the time of application for the loan and the person has been present in the state for at least one year of the immediately preceding five years; or

(C) has been physically present in the state, or is a dependent of a parent or guardian who has been physically present in the state, for at least two years immediately before being absent from the state and the absence is due solely to

(i) military service;

(ii) volunteer service under the Peace Corps Act;

(iii) volunteer service under the Domestic Volunteer Service Act of 1973;

- 1 (iv) participating in a foreign exchange student  
2 program recognized by the commission;  
3 (v) attending a school as a full-time student;  
4 (vi) full-time employment by the state;  
5 (vii) being a member of or employed full-time by  
6 the state's congressional delegation;  
7 (viii) required medical care for the applicant or  
8 the applicant's immediate family; or  
9 (ix) being a person who otherwise qualifies as a  
10 resident and is accompanying a spouse who qualifies as a  
11 resident under (i) - (viii) of this paragraph.

12 (b) A person does not qualify as a resident of the state under  
13 this section if the person declares or establishes residence in another  
14 state during an absence from Alaska.

15 \* Sec. 3. AS 14.44.025 is amended to read:

16 Sec. 14.44.025. PROVISION [PROVISIONS] OF SERVICES. State  
17 participation under Articles VIII and XIII of the Western Regional  
18 Higher Education Compact shall be limited to the provision of adequate  
19 services and facilities in the fields of law, dentistry, medicine,  
20 osteopathy, public health, veterinary medicine, pharmacy, physical  
21 therapy, occupational therapy, optometry, podiatry, forestry, archi-  
22 tecture, graduate nursing, [PETROLEUM ENGINEERING,] maritime tech-  
23 nology, and graduate library studies.

24 \* Sec. 4. AS 14.48.190 is amended to read:

25 Sec. 14.48.190. VIOLATIONS: CIVIL PENALTY. A person who vio-  
26 lates the provisions of AS 14.48.020 or 14.48.060(b), or who fails or  
27 refuses to deposit with the commissioner the records required by  
28 AS 14.48.150 is subject to a civil penalty of not more than \$1,000 for  
29 each violation. Each day's failure to comply with the provisions of

1 AS 14.48.020, 14.48.060(b), or [AND AS] 14.48.150 constitutes a sepa-  
2 rate violation. The fine may be imposed by the commission in an  
3 administrative proceeding or by a court of competent jurisdiction.

4 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.-  
5 10.070(c).