

Introduced: 1/17/89  
Referred: Health, Education and  
Social Services and Finance

6-0509A

1 IN THE SENATE

BY KERTTULA

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SENATE BILL NO. 121

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to conditions of scholarship loans;

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and providing for an effective date."

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

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\* Section 1. AS 14.43.120 is amended by adding a new subsection to

10 read:

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(s) A portion of a loan shall be paid on behalf of the borrower

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by the state if the loan is not in default and if, after completion of

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the course of study for which the loan was granted, the borrower is a

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resident of the state for at least two years. The portion of the loan

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that shall be paid by the state is based on the following percentages

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of the principal amount of the loan plus interest up to a total of 50

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percent of the total indebtedness:

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(1) two - three years residence in the state, 10 percent;

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(2) three - four years residence in the state, an addition-

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al 10 percent;

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(3) four - five years residence in the state, an additional

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10 percent;

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(4) five - six years residence in the state, an additional

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10 percent;

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(5) over six years residence in the state, an additional 10

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percent.

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\* Sec. 2. This Act applies to principal and interest due on a loan that

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is unpaid as of the effective date of this Act.

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\* Sec. 3. This Act takes effect immediately under AS 01.10.070(c).