

SB

3/8

# COMMITTEE REPORT

## SENATE

FURTHER: Finance

1/14/80

Date: 2/4/80

Mr. President:

The Committee on HEALTH, EDUCATION AND SOCIAL SERVICES has had SB 318

making a special appropriation to the student scholarship revolving loan program

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for SB 318  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

[Signature]  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

[Signature]  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Signature]  
CHAIRMAN  
DO PASS

Introduced 1-14-80  
Logged 1-14-80  
Referral Finance  
Comm Meeting ~~1-14-80~~ 1-4-80  
" action passed as C.S.

SB 318

S. HESS 79-80  
" An Act Making  
certain amendments to the

H

Wally Romberg 2855  
✓ Bill introduced Feb  
1980

# THE COAL BUNKERS

Telephone 456-5005  
Fairbanks, Alaska

270 ILLINOIS ST. • FAIRBANKS, ALASKA 99701

January 21, 1980

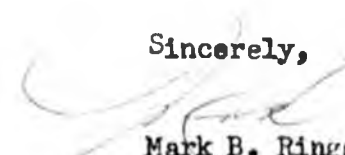
Senator Glen Hackney  
Pouch V  
Juneau, Alaska 99801

Dear Glen:

The student loan fund which has a maximum of \$2500.00 is an excellent program which isn't costing the State very much money. When it first started the max of \$2500.00 was quite sufficient. While it didn't cover all costs it did take care of 80% of them and most students could earn the balance during the summer months. However with inflation on the rise schools are now costing students around \$6,000.00/yr and it seems timely to increase the student loan fund max that students can obtain.

If you hear of any bills in the hopper good or bad for the mining industry I would appreciate a call from you.

Sincerely,



Mark B. Ringstad

In my file folder  
only, for Monday 2/3.  
2/4

③

In my file only.

Alaska Student Loan Critique from Counselor Point of View:

1. Counselors have not been kept properly appraised of changes in the loan program. For example, the federal insurance requirement was not made apparent until applications were received.
2. The federal insurance requirement which mandates that students must seek institutional verification of loan is a hassle. The outside institutions could care less regarding the timelines for processing and thus students are denied priority status. Also, some institutions (Oregon State University, for one) demanded that a student file their institutional financial aid forms before verifying the loan application for Alaska.
3. We have serious questions regarding the statement by loan administrators that staffing or lack of staffing is the problem for processing the loans in a timely fashion. In one case, a student filed an addendum for loan due to a change in college in the month of July and the loan has yet to be received at the college (November).
4. Is it possible that the loan program is lost in a multitude of concerns of the Post-secondary Commission? Would it be feasible to operate the program as an independent "business"?
5. Why does the administrative office send so few applications to schools and why is it not possible to zerox copies. The color-coding excuse hardly seems logical if the system provides for a organized maintenance of records.
6. Counselors need workshops to inform us of changes.
7. Repayment provisions should be spelled out in an organized manner and be disseminated with the applications.
8. How are the senior surveys being utilized? We devote much time and effort to seeing that this process is done and receive little or no feedback on how the statistics are put to use.
9. What can we do as practicing counselors to get our message across at the state level? We care about the future of our kids and want to provide the best information possible.

4778 loans  
3000 anticipated  
Cancellation rate 5%  
400 loans they won't  
Avg. loan \$2400 =

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 318  
 Title Special Appropriation to Student Loan Revolving Fund  
 Requested by House HESS Date 2/1/80

II. FISCAL DETAIL

Agency Affected Education  
 Program Category Affected Commission on Postsecondary Education  
 BRU, Program, or Subprogram(s) Affected Alaska Student Loan Program  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.			12,000.0			
TOTAL			12,000.0	N.A.	N.A.	N.A.

FUNDING (Thousands of Dollars)

GENERAL FUND			9,494.0	-	-	-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
Program Receipts			2,506.0	-	-	-

POSITIONS

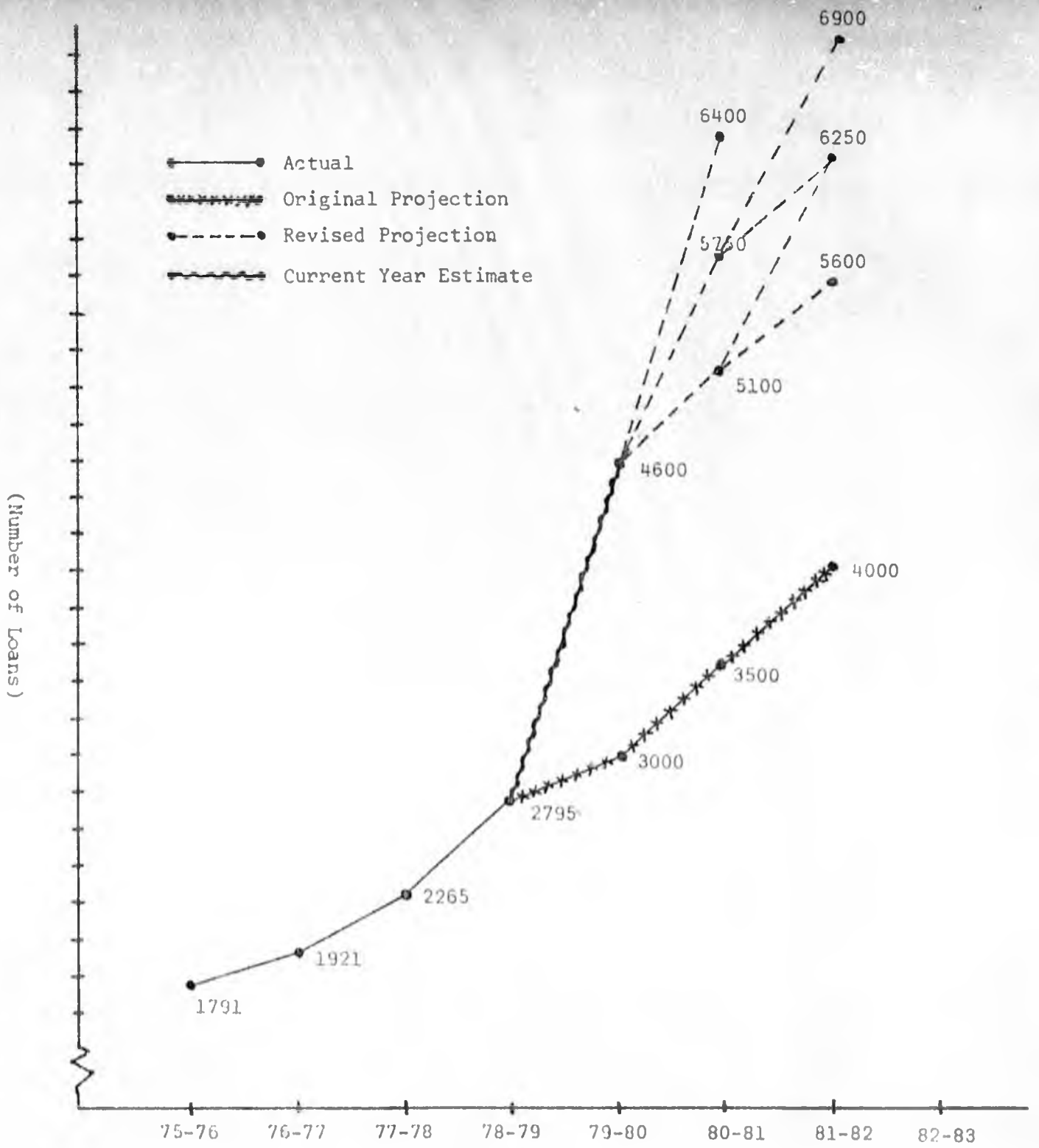
FULL TIME						
PART TIME				N.A.	N.A.	N.A.
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

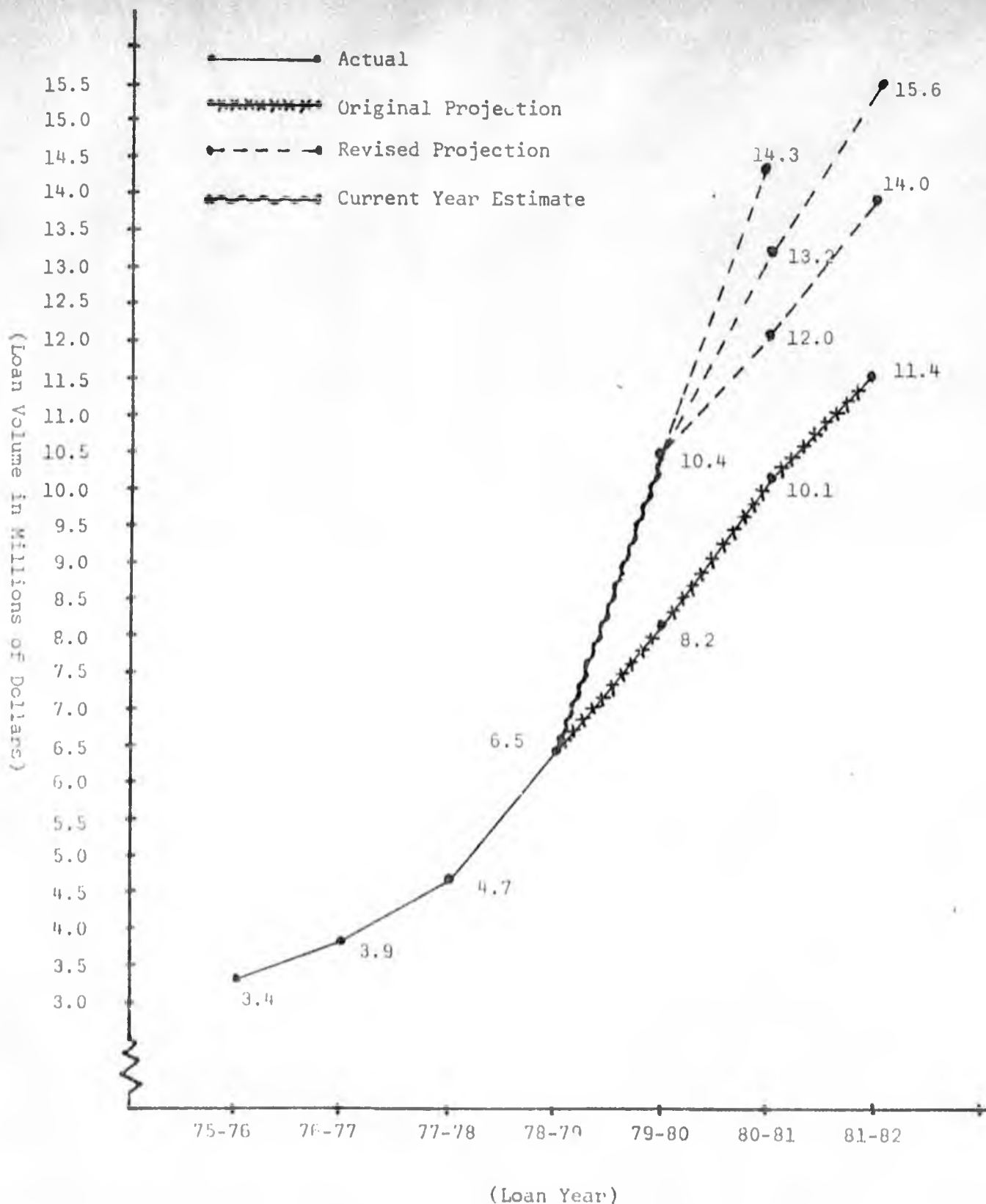
This funding would allow loan processing to begin early in the Spring thereby distributing the work load over a larger number of months. This would accomplish two objectives:

1. Loans would be processed more timely and students will receive money on time.
2. Staff need for 4.0 temporary employees for peak periods would be reduced to 2.0.

IV. DATE 2/1/80 PREPARED BY Kerry D. Romesburg  
 AGENCY Commission on Postsecondary Education  
 Original: Legislative Finance PHONE 465-2854  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)



ALASKA STUDENT LOAN VOLUMES  
(1975-76 thru 1981-82)



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