

H

B

681

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF LAW

POUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

OFFICE OF THE ATTORNEY GENERAL

March 16, 1984

The Honorable Mae Tischer, Chair
Health, Education, and Social
Services Committee
Alaska House of Representatives
Pouch V
Juneau, AK 99811

Re: Draft CS for HB 681 (HESS)
-- default on and col-
lection of student loans
Our file: 377-114-84

Dear Representative Tischer:

At the request of Bill Lovell, of your staff, I have reviewed Legislative Counsel Lynn Asper's February 29, 1984 draft of a committee substitute for HB 681, which Bill delivered to me this morning. The draft CS makes no substantive change from the original HB 681, and the Department of Law has no objection to it on that basis.

The draft CS makes two minor style changes: (1) it changes the word "which" to the word "that" in two places, which is good; and (2) in the bill's sec. 2, the draft deletes our subsec. (f)'s reference to default "under (o) of this section," while adding to (f) a sentence stating that default occurs if a loan payment is 120 or more days past due. That new sentence in (f) repeats our new sentence in (o) and adds the phrase "under this subsection" in both places. Basically, that looks okay.

Regarding the latter, my only concern is that, when an identical provision is placed in two different locations in the statutes, there is always the potential for one of them to be amended in the future while the other one is overlooked; this could cause confusion and litigation. Lynn's objection to our version is based on his feeling that where our subsec. (f) refers to "default under (o) of this section" it is not really accurate since, although (o) contains what is essentially a definition of "default," default is not really occurring under that subsection. It's a fairly subtle point, but a third approach that would meet both of our concerns would be to change both (f) and (o) to refer to "default as defined in (q) of this section." Then add a new section to the bill that would add a new AS 14.43.120(q) to read "For the purposes of this section, a loan is in default if a loan

The Honorable Mae Tischer
377-114-84

March 16, 1984
Page 2

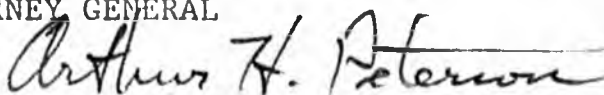
payment is 120 or more days past due." (Or perhaps this definition could be added to the definition section for AS 14.43's art. 4 -- AS 14.43.160.)

Thank you for this opportunity to comment.

Yours truly,

NORMAN C. GORSUCH
ATTORNEY GENERAL

By:


Arthur H. Peterson
Assistant Attorney General

AHP/jb

cc: Kerry Romesburg
Executive Director
Alaska Commission on Post-
secondary Education
Department of Education

Lynn Asper
Legislative Counsel
Legislative Affairs Agency

Linda Scoccia
Assistant Attorney General
Juneau

TO CSHB 681 (HESS):

Lines 24 - 26, Page 1

Delete "A loan is in default under this subsection if a loan payment is 120 or more days past due."

Line 29, Page 1 - Line 1, Page 2

Delete "A loan is in default under this subsection if a loan payment is 120 or more days past due."

Line 6, Page 2

AS 14.43.120 is amended by adding a new subsection to read:

"(q) For the purposes of this section, a loan is in default if a loan payment is 120 or more days past due."

Article 3. Free Tuition and Fees for Dependents.**Section**

80. Free tuition and fees at state-supported educational institutions

Revisor's notes. — This article derived from AS 14.40.920 and was renumbered by the revisor of statutes under AS 01.05.031. Collateral references. — 15A

AmJur.2d Colleges and Universities, §§ 19, 20.
14 C.J.S. Colleges and Universities, §§ 27, 28.

Sec. 14.43.080. Free tuition and fees at state-supported educational institutions. (a) Any dependent of a bona fide Alaska resident who, while serving during the hostilities involving the United States forces in Southeast Asia, was listed by the United States Department of Defense as a prisoner of war or missing in action in Southeast Asia may attend any state-supported educational institution without payment of tuition and fees.

(b) As used in this section, "dependent" means a dependent spouse or child. (§ 1 ch 176 SLA 1972; AS 14.40.920)

Article 4. Scholarship Loan Program.**Section**

90. Scholarship revolving loan fund
95. Financial aid committee
100. Applications
105. Administration of program
110. Undergraduate loans
115. Graduate loans
120. Conditions of loans

Section

125. Eligibility of students
130. Selection criteria
135. Discrimination prohibited
140. Enforceability of certain contracts with minors
160. Definitions

Revisor's notes. — This article derived from AS 14.40.761 — 14.40.806 and was renumbered by the revisor of statutes under AS 01.05.031.

Collateral references. — 15A AmJur.2d Colleges and Universities, §§ 19, 20.
14 C.J.S. Colleges and Universities, §§ 27, 28.

Absence from, or inability to attend, school or college as affecting liability for, or right to recover back payments on account of, tuition or board. 00 ALR 714.

Validity and application of provisions governing determination of residency for purpose of fixing fee differential for out-of-state students in public college. 60 ALR3d 641.

Increase in tuition as actionable in suit by student against college or university. 99 ALR3d 885.

Absence from, or inability to attend, school or college as affecting liability for, or right to recover back payments on account of, tuition or board. 00 ALR 714.

Sec. 14.43.090. Scholarship revolving loan fund. (a) There is created a scholarship revolving loan fund. The fund shall be used to make scholarship loans to students selected under AS 14.43.090 — 14.43.160. All repayments of principal and interest on scholarship loans shall be paid into the scholarship revolving fund shall be used to make new scholarship loans. If estimated funds available from scholarship loan repayments are inadequate to fully fund estimated scholarship loans for any fiscal year, additional funding from the general fund may be requested and appropriated for that year.

(b) Repealed by § 31 ch 59 SLA 1982.

(c) Repealed by § 31 ch 59 SLA 1982. (§ 1 ch 98 SLA 1971; am § 1 ch 156 SLA 1972; am §§ 1, 2 cl 136 SLA 1974; am § 1 ch 136 SLA 1976; am § 31 ch 59 SLA 1982; AS 14.40.751)

Revisor's notes. — In subsection (a), AS 14.43.090 — 14.43.160 was substituted for a reference to AS 14.40.751 — 14.40.806 to conform to the renumbering of those sections by the revisor of statutes under AS 01.05.031.

Effect of amendments. — The 1982 amendment repealed subsection (b), which provided for a tuition grant fund, and sub-

section (c), which provided for the transfer of unobligated funds in the tuition grant fund to the scholarship revolving loan fund.

Legislative history reports. — For report on ch. 98, SLA 1971 (CSHB 415 [Finance] am St. see 1971 House Journal, p. 935.

Sec. 14.43.095. Financial aid committee. (a) The student financial aid committee is composed of the members of the Alaska Commission on Postsecondary Education. The commission may delegate its functions under AS 14.43.090 — 14.43.160 to a committee of its members, with augmented membership as the commission considers appropriate. The executive officer of the commission is the executive secretary of the committee. The Alaska Commission on Postsecondary Education shall administer the program established by AS 14.43.090 — 14.43.160.

(b) Members of the committee serve without compensation but are entitled to per diem and travel expenses authorized by law for boards and commissions.

(c) The committee shall make an annual report reviewing the work of the committee to the governor, the legislature and the private colleges and universities where students receiving tuition grants are enrolled.

(d) The committee shall meet at least once a year. The meetings shall be held at the call of the chairman or upon petition by two members. (§ 1 ch 98 SLA 1971; am § 2 ch 156 SLA 1972; am § 5 ch 78 SLA 1974; am § 3 ch 136 SLA 1974; AS 14.40.753)

Revisor's notes. — The amendments of AS 14.43.095(a) by § 5, ch. 78, SLA 1974 and § 3, ch. 136, SLA 1974, are in conflict, the first act rewriting the subsection to provide that the Alaska Commission on Postsecondary Education will act as the financial aid committee, the second act changing the name and term of members of the existing financial aid selection committee. It is considered, on the basis of the legislative history, apparent legislative intent, and later effective date of the first

act, that the re-enactment by ch. 78, SLA 1974 should prevail.

The last part of subsection (c) of this section is obsolete since the tuition grant program was repealed by Chapter 94, SLA 1980 and Chapter 59, SLA 1982.

In subsection (a), AS 14.43.090 — 14.43.160 was substituted for a reference to AS 14.40.751 — 14.40.806 to conform to the renumbering of those sections by the revisor of statutes under AS 01.05.031.

Sec. 14.43.100. Applications. (a) Applications shall be submitted to the executive secretary of the committee.

(b) A person whose loan or grant application is not recommended or presented to the committee by the executive secretary may appeal to the committee through the chairman of the committee and the committee shall consider the application. (§ 1 ch 98 SLA 1971; am § 3 ch 156 SLA 1972; am § 4 ch 1 SLA 1974; AS 14.40.755)

Revisor's notes. — The reference to "grant application" in subsection (b) of this section is obsolete in light of the repeal of

the tuition grant program by Chapter 94, SLA 1980 and Chapter 59, SLA 1982.

Sec. 14.43.105. Administration of program. The executive secretary shall administer the programs subject to review by the committee and in accordance with the regulations prescribed by the committee. The promulgation of these regulations is subject to the Administrative Procedure Act (AS 44.62), and a summary of the regulations shall be distributed to each applicant. (§ 1 ch 98 SLA 1971; am § 5 ch 136 SLA 1974; AS 14.40.757)

Sec. 14.43.110. Undergraduate loans. The committee may make a loan, not to exceed \$6,000 in any one school year, to an undergraduate student eligible under AS 14.43.125. (§ 1 ch 98 SLA 1971; am § 6 ch 136 SLA 1974; am § 1 ch 153 SLA 1978; am § 1 ch 89 SLA 1981; AS 14.40.759)

Revisor's notes. — AS 14.43.125 was substituted for AS 14.40.765 to conform to the renumbering of that section by the revisor of statutes under AS 01.05.031.

Effect of amendments. — The 1978 amendment increased the maximum

amount of the loan from \$2,500.00 to \$3,000.00.

The 1981 amendment substituted "\$6,000" for "\$3,000" following "not to exceed."

Sec. 14.43.115. Graduate loans. The committee may make a loan, not to exceed \$7,000 in any one school year, to a graduate student who is eligible under AS 14.43.125 and is pursuing an advanced degree. (§ 1 ch 98 SLA 1971; am § 7 ch 136 SLA 1974; am § 2 ch 89 SLA 1981; AS 14.40.761)

Revisor's notes. — AS 14.43.125 was substituted for AS 14.40.765 to conform to the renumbering of that section by the revisor of statutes under AS 01.05.031.

Effect of amendments. — The 1981 amendment substituted "\$7,000" for "\$5,000" following "not to exceed."

Sec. 14.43.120. Conditions of loans. (a) Proceeds from scholarship loans may only be used for books, tuition and required fees, and for room and board.

(b) The loans may only be used to attend a career education program or a college or university approved by the commission, and, if the loans are federally insured, by the United States Commissioner of Education.

(c) To maintain a loan the student must continue to be enrolled as a full-time student in good standing in a career education program, college or university designated under (b) of this section. The commission shall adopt regulations defining "good standing" for purposes of this subsection.

(d) Scholarship loans may not be made to a student

(1) for more than five years of undergraduate study;

(2) for more than five years of graduate study;

(3) for more than a total of eight years of undergraduate and graduate study.

(e) Loans are interest bearing while a student is enrolled under (c) of this section or is receiving a deferment of payments under (k) of this section; however, a student is entitled to have a portion of the interest paid in accordance with (1) of this section.

(f) Interest on a loan given under AS 14.43.090 — 14.43.160 is at the rate of five per cent a year.

(g) Repayment of the principal and interest on the loan begins no later than one year after the borrower's studies are terminated. The loan shall provide for repayment of the total amount owed in periodic installments in not more than 10 years from the commencement of repayment, except as provided in (k) and (m) of this section. If the commission and the borrower agree to a different repayment schedule, the borrower shall repay the loan in accordance with the agreement. A borrower may make payments earlier than required by this subsection.

(h) Security may not be required for the loans; however, provision shall be made for payment of attorney fees and costs of court if either or both are incurred in collection of the amount owed on the loan.

(i) If a loan is in default, the commission shall notify the borrower that repayment of the remaining balance is accelerated and due by sending the borrower a notice by registered or certified mail.

(j) A portion of a loan shall be paid on behalf of the borrower by the state if, upon completion of the course of study for which the loan was granted, the borrower is a resident of the state for at least two years. The portion of the loan that shall be paid by the state is the following percentages of the total loan received plus interest up to a total of 50 percent of the total loan:

- (1) two — three years residence in the state, 10 percent;
- (2) three — four years residence in the state, an additional 10 percent;
- (3) four — five years residence in the state, an additional 10 percent;
- (4) five — six years residence in the state, an additional 10 percent;
- (5) over six years residence in the state, an additional 10 percent.
- (k) Periodic installments of principal shall be deferred, but interest shall accrue and be paid unless the student is eligible for interest payment benefits under (1) of this section during any of the following:
- (1) return to student status as provided in (c) of this section;
 - (2) serving on active duty as a member of the armed forces of the United States;
 - (3) serving, for up to three years, as a full-time volunteer under the Peace Corps Act;
 - (4) serving, for up to three years, as a full-time volunteer under the Domestic Volunteer Service Act of 1973;
 - (5) for a one-time period up to 12 months in which the borrower is seeking and unable to find employment in the United States; or
 - (6) if the borrower becomes 50 percent or more disabled as certified by competent medical authority.
- (l) The state will pay the interest on that portion of a loan that is not federally insured during
- (1) the period before the beginning of the repayment period of the loan; and
 - (2) deferrals under (k) of this section.
- (m) In case of hardship, the committee may extend repayment of a loan for an additional period of up to five years in increments no longer than 12 months each.
- (n) Repealed by § 11 ch 89 SLA 1981.
- (o) The provisions of (j) of this section do not apply to a loan to a borrower named in a complaint as a defendant in an action by the state or by the commission to secure payment of the unpaid balance of a loan made under AS 14.43.110 or 14.43.115.
- (p) For purposes of this section, a person qualifies as a resident if the person is physically present in the state with the intent to remain permanently in the state or, if not physically present in the state, the person intends to return to the state and is absent due to military service. (§ 1 ch 98 SLA 1971; am § 4 ch 156 SLA 1972; am § 6 ch 78 SLA 1974; am § 8 ch 136 SLA 1974; am §§ 1—4 ch 99 SLA 1977; am §§ 3 — 8 ch 87 SLA 1979; am §§ 3 — 9, 11 ch 89 SLA 1981; AS 14.40.763)

Revisor's notes. — In ch. 88, SLA 1971, AS 14.43.120(j)(2) read "four — five years . . ." This was a typographical error occurring for the first time in the enrolled version of the bill (CSHB 415 Finance am

SI and has been corrected here. Effect of amendments. — The 1970 amendment deleted "approved by the commission" following "career education program" and substituted the language

beginning "approved by the commission" for "accredited by the accreditation association for the region in which the college or university is located" in subsection (d), substituted "interest" for "non-interest" in subsection (e), added the language beginning "however, a student shall be entitled" to the end of subsection (e), rewrote subsection (g), and in subsection (j), substituted "paid on behalf of the borrower by the state" for "considered a grant," "borrower" for "grantee," and "three years" for "two years" in the first sentence, substituted "paid by the state" for "regarded as a grant" and "interest for up to a total of 40 percent" for "accrued interest" in the introductory language of the second sentence, and substituted "an additional 10 percent" for "20 percent" in paragraph (2), for "30 percent" in paragraph (3), and for "40 percent" in paragraph (4). The amendment also rewrote subsection (k) and added subsections (l), (m), and (n).

The 1981 amendment, added the second sentence of subsection (e). In subsection (d), the amendment added paragraphs (1) and (2) and in paragraph (3), substituted "a total of eight" for "six" preceding "years" and added "of undergraduate and graduate study" following "years." In subsection (i), the amendment substituted "shall" for "may" and "borrower" for "student." In subsection (n), the amendment substituted "12" for "six" preceding "months" and deleted "within the 15-year requirement of (g) of this section" following "months each." The amendment also rewrote subsections (g) and (j), added subsections (o) and (p) and repeated subsection (n) which read "Each year spent

attending a college or university in Alaska qualifies as a year of employment and residency under (j) of this section, if the borrower resides no less than three years in Alaska after completion of the course for which the loan was granted, and has a total Alaskan residency of ten years time."

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.5.031(e) and § 4, Chapter 58, SLA 1982.

Section 8, ch. 89, SLA 1977 provides: "The change in the repayment period of student loans set out in AS 14.40.763(g) [now 14.43.120(g)] as amended by sec. 3 of this Act and the additional basis for granting a deferment of repayment of a student loan set out in AS 14.40.763(k) [now 14.43.120(k)] as enacted by sec. 4 of this Act shall, upon request of the loan recipient, be applied retroactively to the outstanding balance of principal and accrued interest on loans made under AS 14.40.751 — 14.40.806 [now 14.43.090 — 14.43.160] as they read before the effective date of this Act."

Section 12 of ch. 89, SLA 1981, provides: "The reenactment of AS 14.40.763(g) [now 14.43.120(g)] in sec. 7 of this Act applies to any student who has obtained a scholarship loan under AS 14.40.751 — 14.40.806 [now 14.43.090 — 14.43.160] since July 1, 1971."

Legislative history reports. — For a report of legislative intent concerning the loan forgiveness provisions of ch. 89, SLA 1981 (FCCSSB 120), see 1981 Senate Journal p. 1560, 1580, 1981 House Journal p. 2289.

Sec. 14.43.125. Eligibility of students. (a) A person may apply for and obtain a scholarship loan if the person

- (1) is a resident of the state at the time of application for a scholarship loan;
 - (2) meets the requirements of (b) of this section; and
 - (3) is
 - (A) enrolled as a full-time student in a career education or associate or baccalaureate or graduate degree program; or
 - (B) a graduate of a high school, 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.
- (b) In addition to the requirements of (a) of this section, to obtain a scholarship loan a person must have been a resident of the state for at least two years at the time of application for the loan. For purposes of

this subsection, a person qualifies as a resident of the state if at the time of application for the loan the person

(1) has been present in the state for at least two years unless an absence from the state during any part of the two years was due to military service; or

(2) is a person who is dependent on a parent or guardian for care, and the parent or guardian has been present in the state for at least two years. (§ 1 ch 98 SLA 1971; am § 10 ch 89 SLA 1981; AS 14.40.765)

Effect of amendments. — The 1981 amendment rewrote this section. Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, ch. 58, SLA 1982.

Sec. 14.43.130. Selection criteria. (a) The selection committee shall grant loans based on total point accumulations under the subsection with priority going to those applicants with the highest point accumulations, except as provided in (b) of this section for loan applications completed before May 15 of each year. Points shall be awarded to applicants based upon student status and continuous Alaskan residency, according to the following schedule:

(1) student status:

- (A) continuing undergraduate and graduate students with existing Alaska scholarship loans 4 points
- (B) continuing undergraduate and graduate students without existing Alaska scholarship loans 3 points
- (C) freshmen 2 points
- (D) new graduate students without existing Alaska scholarship loans 1 point

(2) continuous Alaskan residency:

- (A) students with continuous Alaskan residency of 10 years or more 3 points
- (B) students with continuous Alaskan residency of at least 5 years and less than 10 years 2 points
- (C) students with continuous Alaskan residency of more than 2 years and less than 5 years 1 point
- (3) students attending Alaska colleges or universities . . . 1 point

(b) In awarding loans the selection committee shall award loans to applicants based upon the earliest date of completed applications if

(1) the applicant has accumulated at least 5 points under (a) of this section; and

(2) the applicant has filed a completed application not later than May 15 of the year for which the loan is requested. (§ 1 ch 98 SLA 1971; am § 2 ch 87 SLA 1979. — § 14.40.767)

Effect of amendments. — The 1979 amendment rewrote this section. Editor's notes. — Section 1, ch. 87, SLA 1979 provides: "The legislature determines that (1) there are no incentives in the

student loan program for residents of Alaska to attend colleges and universities in Alaska as compared with colleges and universities outside Alaska;

(2) the result of this lack of incentives is that 64.9 per cent of all undergraduate student loans and 92.9 per cent of graduate student loans go to students attending colleges and universities outside Alaska.

(3) the amount of the average loan to undergraduate students attending colleges and universities in Alaska is lower than the average of similar loans in all but one of the 10 western states and the amount of the average loan for graduate students is the lowest in the West.

Sec. 14.43.135. Discrimination prohibited. The student loan program shall be carried out without regard to the race, creed, sex, color, ancestry, national origin, or membership in fraternal or political organizations of the student applying for the loan. (§ 1 ch 98 SLA 1971; AS 14.40.769)

Sec. 14.43.140. Enforceability of certain contracts with minors. A written obligation entered into by a minor at least 16 years of age, evidencing a loan or other assistance received by the minor from any person for the purpose of furthering the minor's education in a career education program or an institution of higher learning, is enforceable against the minor with the same effect as if the minor were, at the time of its execution, 19 years of age, if the person making the loan has before making the loan a certification from the institution that the minor is enrolled in the institution or has been accepted for enrollment. (§ 1 ch 98 SLA 1971; AS 14.40.771)

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, ch. 58, SLA 1982.

Sec. 14.43.160. Definitions. In AS 14.43.090 — 14.43.160

(1) "career education" means a course or program in vocational-technical training or education approved by the commission;

(2) "full-time student" means an undergraduate or career education student who is enrolled and is in regular attendance at classes for at least 12 semester hours of credit or the equivalent during the semester or a graduate student who is enrolled and is in regular attendance at classes for at least nine semester hours of credit or the equivalent; any combination of semester hours of credit, or the equivalent, aggregating to the requisite number of semester hours and undertaken during a semester at two or more public or private institutions of higher education operating under a consort ium constitutes full-time student status;

(3) "part-time student" means a student who is enrolled and is in regular attendance at classes for at least three but less than the semester hours of credit required for full-time student status under (2) of this section during the semester;

(4) Repealed by § 11 ch 89 SLA 1981.

(5) "school year" means the period from September 1 of one year through August 31 of the following year;

"commission" means the Alaska Commission on Postsecondary Education;

(7) Repealed by § 7 ch 246 SLA 1976.

(8) "federally insured" means a loan covered by the provisions of the Guaranteed Student Loan Program of Title IV, Part B, of the Higher Education Act of 1965 (P.L. 89-329), as amended. (§ 5 ch 156 SLA 1972; am § 8 ch 78 SLA 1974; am §§ 18 — 20 ch 136 SLA 1974; am § 5 ch 136 SLA 1975; am § 7 ch 246 SLA 1976; am §§ 5 — 7 ch 99 SLA 1977; am § 9 ch 87 SLA 1979; am § 11 ch 89 SLA 1981; AS 14.40.806)

Revisor's notes. — Part-time student is defined in paragraph (3) above but is not used in the statutes.

AS 14.43.090 — 14.43.160 was substituted for AS 14.40.751 — 14.40.806 to conform to the renumbering of those sections by the revisor of statutes under AS 01.05.031.

Effect of amendments. — The 1979 amendment added paragraph (8).

The 1981 amendment repealed paragraph (4) which defined "resident".

Editor's notes. — Title IV, Part B of the Higher Education Act of 1965, referred to in paragraph (8), may be found in 20 U.S.C. 10.1071 et seq.

Article 5. Memorial Scholarship Revolving Loan Fund.

<p>Section 250. Declaration of purpose 255. Fund created 300. Limits on, conditions of loans 305. Repayment of loans</p>	<p>Section 310. Selection 315. Discrimination prohibited 320. Administering authority 325. Funding</p>
---	---

Revisor's notes. — This article derived from AS 14.40.810 — 14.40.845 and was renumbered by the revisor of statutes under AS 01.05.031.

Sec. 14.43.250. Declaration of purpose. (a) The legislature may pay tribute to the memory of Alaskans who, by the example of their lives, or by their distinguished contribution and service to this state, their community or their profession, exemplified the best that is the challenge of "The Great Land" by the creation of memorial scholarships as a part of a general memorial scholarship revolving loan fund, setting out the purpose for which each is created, and the conditions applicable to each scholarship.

(b) The purposes of the several memorial scholarship accounts in the memorial scholarship revolving loan fund are as follows:

(1) the Michael Murphy memorial scholarship perpetuates the memory of Michael Murphy, a member of the Alaska State Troopers, who, while on leave from that division, gave his life for his adopted country in Vietnam on May 22, 1968;

(2) the Carroll L. "Butch" Swartz memorial scholarship perpetuates the memory of Carroll L. "Butch" Swartz, of Juneau, who was a student intern with the Criminal Justice Planning Agency and the Governor's Commission on the Administration of Justice during the summer months of 1972 and 1973 and whose accidental and untimely death in November 1973, occurred while he was completing his undergraduate education at Yale University, thus never realizing his educational goals or career objective;

(3) the Harvey Golub memorial scholarship perpetuates the memory of Harvey Golub, of Juneau, who was chief engineer of the bridge design section of the Department of Highways of the State of Alaska and whose accidental and untimely death September 13, 1971, cut short a widely-respected career in civil engineering; and

(4) the Robert L. Thomas memorial scholarship perpetuates the memory of Robert L. Thomas, of Juneau, who as Deputy Commissioner of Education, and for 13 years as a member of the professional staff of that department contributed significantly to the creation, operation and administration of a sound system of public education in Alaska and whose tragic and untimely death March 12, 1974, terminated a distinguished career in education and public administration that long will be exemplary for those who aspire to service in that profession. (§ 21 ch 136 SLA 1974; AS 14.40.810)

Sec. 14.43.255. Fund Created. (a) There is created a memorial scholarship revolving loan fund. The fund shall be used to provide educational scholarship loans to students selected under AS 14.43.250 — 14.43.325. All repayments of principal shall be paid into the memorial scholarship revolving loan fund and shall be used to make new scholarship loans.

(b) Each memorial scholarship, the purpose of which is set out in AS 14.43.250(b), is a separate account in the memorial scholarship revolving loan fund created under (a) of this section. (§ 21 ch 136 SLA 1974; AS 14.40.815)

Revisor's notes. — References to AS 14.40.810 — 14.40.815 and AS 14.40.810(b) were changed to AS 14.43.250 — 14.43.325 and AS 14.43.250(b), respectively, to conform to the renumbering of those sections by the revisor of statutes under AS 01.05.031.

Sec. 14.43.300. Limits on, conditions of loans. (a) A scholarship loan to a recipient under AS 14.43.250 — 14.43.325 may not exceed \$2,500 a school year for an undergraduate student or \$5,000 a school

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3801

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 15, 1984

SUBJECT: CSHB 681 (HESS)
(Student loans)

TO: Representative Mae Tischer
Chairman, House Health, Education
and Social Services Committee

FROM: *LHA* Linn H. Asper
Legislative Counsel

At the request of your committee I prepared a draft committee substitute for House Bill No. 1681, relating to student loans. This draft, dated February 29, 1984, makes technical changes to the original bill in order to make it more clear and to put it in the form used by this office for drafting legislation. The changes I have made do not affect the substantive provisions of the bill.

LHA:ojb
J4/092

Enclosure