

S

B

2009

1982-83 ALASKA STUDENT LOANS
(January 18, 1983)

From DDJ
Good standing = C Avg.
+ 12 Sem hrs per year
7000 student - B and
+ 4 hrs of graduate

1. Program Status

<u>Student Level</u>	<u>Number</u>	<u>Amount</u>
Freshman	4,232	\$17,566,996
Sophomore	2,808	12,391,975
Junior	2,019	9,044,064
Senior	1,734	7,639,369
Vocational	1,581	7,986,925
Undergraduate	12,374	54,629,329
Graduate	1,182	6,522,647
TOTAL	13,556	\$61,151,976

2. In-State/Out-of-State Attendance by Level

<u>Student Level</u>	<u>Alaska</u>	<u>%</u>	<u>Out-of-State</u>	<u>%</u>
Freshman	2,377	56.2	1,855	43.8
Sophomore	1,404	50.0	1,404	50.0
Junior	947	46.9	1,072	53.1
Senior	822	47.4	912	52.6
Vocational	1,155	73.1	426	26.9
Undergraduate	6,705	54.2	5,669	45.8
Graduate	302	25.6	880	74.4
TOTAL	7,007	51.7	6,549	48.3

3. Percent In-State Previous Year

<u>Year</u>	<u>Undergraduate</u>	<u>Graduate</u>	<u>All Loans</u>
1981-82	47.3	23.8	45.0
1980-81	45.3	17.9	42.3
1979-80	36.1	12.3	33.3
1978-79	35.1	12.0	32.3

4. States of Attendance by Student Level

<u>Freshman</u>	<u>Sophomore</u>	<u>Junior</u>	<u>Senior</u>	<u>Vocational</u>	<u>Undergraduate</u>	<u>Graduate</u>
AK-2,377	AK-1,404	AK- 947	AK 822	AK-1,155	AK-6,705	AK- 302
WA- 402	WA- 307	WA- 270	WA- 239	CO- 133	WA-1,307	WA- 160
OR- 298	OR- 260	OR- 174	OR- 147	WA- 89	OR- 921	CA- 178
CA- 203	CA- 142	CA- 94	CA- 89	CA- 45	CA- 573	OR- 128
ID- 126	AZ- 83	AZ- 62	AZ- 51	OR- 42	CO- 389	MA- 33
HA- 121	HA- 74	HA- 55	HA- 38	AZ- 42	AZ- 357	HA- 25
AZ- 119	ID- 73	UT- 52	ID- 43	OK- 19	HA- 320	TX- 21
CO- 111	CO- 71	ID- 36	CO- 35	FL- 7	ID- 285	UT- 21
UT- 57	UT- 60	CO- 35	UT- 34	HA- 7	UT- 204	MO- 19
MT- 45	TX- 40	MT- 35	TX- 27	MN- 5	TX- 148	NY- 18
ZZ- 373	ZZ- 294	ZZ- 259	ZZ- 209	ZZ- 37	ZZ-1,165	ZZ- 277
4,232	2,808	2,019	1,734	1,581	12,374	1,182

5. Age Distribution of Borrowers

<u>Age</u>	<u>Number</u>	
60+	24	Age Range: 16-72
50-59	163	Median Age: 22.6
40-49	618	
30-39	2,421	
20-29	8,479	
16-19	<u>1,851</u>	
	13,556	

6. Residency

<u>Student Level</u>	<u>2-Years</u>	<u>3-5</u>	<u>6-10</u>	<u>10+</u>	<u>Total</u>
Freshman	243	763	913	2,313	4,232
Sophomore	82	445	604	1,677	2,808
Junior	78	289	461	1,191	2,019
Senior	61	279	385	1,009	1,734
Vocational	87	339	305	850	1,581
Undergraduate	551	2,115	2,668	7,040	12,374
Graduate	177	293	308	404	1,182
TOTAL	728	2,408	2,976	7,444	13,556

% Breakdown

2 Years	5.4%	6-10 Years	21.9%
3-5 Years	17.8%	10+ Years	54.9%

7. Default: (Computed on June 30)

1971-72	N.A.
1972-73	N.A.
1973-74	N.A.
1974-75	80.0%
1975-76	44.6%
1976-77	24.9%
1977-78	22.3%
1978-79	19.3%
1979-80	14.5%
1980-81	11.5%
1981-82	9.2%

10. Loan Volumes, Collections, Forgiveness (see attached table)

STATE STUDENT LOAN ACTIVITY
Projected to 1988-89

Year	Loan Awards	Loan Volume	Cumulative Total	Average Loan	Loan Collections	Federal Funds	Cancellations	General Fund
1971-72	1,081	\$ 1,603,158	\$ 1,603,158	\$1,483	\$ -0-	\$ -0-	\$ -0-	\$ 1,603,158
1972-73	1,748	2,870,384	4,473,542	1,642	-0-	-0-	-0-	2,870,384
1973-74	1,665	2,986,176	7,459,718	1,793	-0-	-0-	-0-	2,986,176
1974-75	1,457	2,659,807	10,119,525	1,826	235,476	-0-	703	2,424,331
1975-76	1,719	3,382,997	13,502,522	1,968	465,530	-0-	44,233	2,977,467
1976-77	1,921	3,850,507	17,353,029	2,094	1,141,461	-0-	64,746	2,709,046
1977-78	2,265	4,604,167	21,957,196	2,033	1,191,851	-0-	314,306	3,412,316
1978-79	2,795	6,416,402	28,373,598	2,296	1,391,643	-0-	445,985	5,024,758
1979-80	3,918	9,373,949	37,747,547	2,393	1,603,436	-0-	409,501	7,770,513
1980-81	6,460	15,957,717	53,705,264	2,475	2,225,388	-0-	555,494	13,732,329
1981-82	9,898	40,559,499	94,264,763	4,098	2,779,900	1,000,000	785,769	36,819,599
1982-83*	13,000	59,000,000	153,264,763	4,540	4,604,046	1,200,000	(1,367,555)	54,563,309
1983-84	17,500	85,750,000	239,014,763	4,900	7,751,963	850,000	(2,388,517)	79,536,554
1984-85	19,000	106,400,000	345,414,763	5,600	12,017,812	675,000	(3,772,328)	97,479,516
1985-86	21,000	123,900,000	469,314,763	5,900	17,179,740	500,000	(5,446,820)	111,667,080
1986-87	23,100	136,290,000	605,604,763	5,900	23,016,458	350,000	(7,340,210)	120,263,752
1987-88	25,600	151,040,000	756,644,763	5,900	29,211,587	225,000	(9,349,866)	130,953,279
1988-89	28,500	168,150,000	924,794,763	5,900	35,874,597	150,000	(11,511,298)	143,636,701

*1982-83 through 1988-89 are projections

60,000,000
 ← Voc. & students →
 rolling admissions

Revised 12/22/82

Dec.

TABLE 1

DISTRIBUTION OF YEAR-TO-DATE ALASKA STATE LOANS
FOR STUDENTS ATTENDING IN ALASKA
(February, 1983)

Institution	1982-83	
	No.	Amount
U of Alaska, Fairbanks	2,266	\$ 6,975,068
U of Alaska, Anchorage	1,560	4,611,230
Anchorage Community College	1,353	4,538,244
U of Alaska, Juneau	340	1,053,425
Kenai Peninsula Community College	326	1,191,593
Alaska Pacific U	198	680,400
Alaska Business College	198	943,887
Alaska Vocational-Technical Center	197	348,741
Tanana Valley Community College	195	731,450
Testing Institute of Alaska	167	761,361
Sheldon Jackson College	138	465,953
Matanuska-Susitna Community College	130	547,800
New Anchorage Beauty School	115	549,450
Gordon Aviation, Inc.	110	549,764
Aero Technical Flight School	80	409,000
Wilburs Flight Operation	53	286,300
Fort Richardson Flying Club	45	249,000
Ketchikan Community College	46	124,250
Trend Setter School of Beauty	42	191,500
Sitka Community College	36	114,400
Headquarters Barber & Beauty Academy	35	171,000
Hutchison Career Center	35	131,200
Flight Training Devices	33	136,800
Academy of Hair Design	32	126,600
Alaska Native Training Institute	29	112,200
A.I.R. Center	24	129,000
Alaska Computer Training Center	21	97,150
Anchorage Alaska School of Barbering	20	96,000
Elmendorf Aero Club	20	90,871
St. Herman's Theological Seminary	19	62,000
Kotzebue Technical Center	19	44,250
Kodiak Community College	15	44,050
North Pacific Business Institute	14	55,050
Alaska Bible College	12	40,950
Fairbanks Beauty School	14	58,100
Peninsula Institute of Welding Technology	11	44,950
Peninsula Hair Styling Academy	11	43,750
Prince William Sound Community College	8	21,531
Kuskokwim Community College	8	18,550
Alaska Piper Sales, Inc.	6	35,900
Birchwood Air Service	4	24,000
University of LaVerne	3	12,750
Chapman College	2	3,000
Far North Bible College	2	2,450
T&M Real Estate Institute	1	6,000
Northwest Community College	1	5,000
Charismatic Bible College	1	4,500
Bar Review	1	4,000
Delta Greely Rural Educational Center	1	3,000
Alaska Media Workshop	1	550
TOTAL	8,002	\$26,648,006

INSTITUTIONS AT WHICH AT LEAST FIFTY ALASKA
STUDENT LOAN BORROWERS ATTENDED 1982-83
(as of February, 1983)

Institution	No.	Amount
*University of Alaska, Fairbanks	2,266	\$6,975,068
*University of Alaska, Anchorage	1,560	4,611,230
*Anchorage Community College	1,353	4,538,244
*University of Alaska, Juneau	340	1,053,425
*Kenai Peninsula Community College	326	1,191,593
Oregon State University	241	1,189,956
University of Oregon	233	1,026,126
University of Washington	205	935,667
*Alaska Business College	198	943,887
*Alaska Pacific University	198	680,400
*Alaska Vocational-Technical Center	197	348,741
*Tanana Valley Community College	195	731,450
Western Washington University	177	767,542
*Testing Institute of Alaska	167	761,311
Brigham Young University (UT)	160	498,630
*Sheldon Jackson College	138	465,953
Arizona State University	135	615,025
*Matanuska-Susitna Community College	130	547,800
Washington State University	124	551,776
University of Hawaii, Manoa	124	381,811
*New Anchorage Beauty School	115	549,450
Gonzaga University (WA)	113	596,450
*Gordon Aviation, Inc.	110	549,764
University of Puget Sound (WA)	103	512,200
University of Hawaii, Hilo	100	276,175
University of Idaho	99	364,950
Willamette University (OR)	95	481,675
Northern Arizona University	90	308,942
Pacific Lutheran University (WA)	87	406,950
University of Arizona	86	329,600
*Aero Technical Flight Service	80	409,000
Seattle Pacific University (WA)	77	344,550
Central Washington University	77	334,900
American Diesel & Automotive School (CO)	77	320,573
Seattle University (WA)	73	333,134
Montana State University	69	254,088
Linfield College (OR)	67	305,100
Colorado State University	60	306,050
Ricks College (OR)	58	139,181
Denver Institute of Technology (CO)	56	204,056
*Wilbur's Flight Service	53	286,300
Eastern Washington University	53	255,267
University of Colorado	52	231,400

*Alaskan School

March 30
Student Loan

Joe, Pappy, Victor
SB 118 - SS. - Sackett
SB 185 - P Fisher
SB 197 - Joe
SB 209 - y6w.
SB 210 -

Kerry Roushberg - Post Secondary Ed.
History of Student Loan Program

determine awards by standard student budget
from University of attendance.

Tom Bergstrom - Sackett
Sackett looking at cost benefit.

* Severable clause in letter of intent

* interest rate - 5% in state / 9% out of state.

Clark Wildermuth
imp. to students
residency
forgiveness
interest rates

Feds give no
benefits to vets.
for pilot training

The Comm. shall regulate loans given in relation
to needs in Alaska??

June Maynard - Post Sec Ed. ✓

Aviationologists \$1,140,000 - loan awards

pilots (commercial) \$1,910,000 - "

(New Regs must already be Cert. private pilot)

Welding \$1,084,000 - "

\$2.6. mill savings on limiting^{to} 100 per voc. areas.

April 11
Student Loans

Joe, Vic, Pappy, Paul, Rick

Joe - review of bills & issues.

Hal Roland - NEA

4 children who have used student loans

1. Limited to tuition & books - tuitions are high don't lower loan amounts. Summer job situation is bad - lucky to raise transportation costs to return to school.

2. H.S. graduates - would cut out so many people who used money for school.

3. NEA supports program as is.

Paul has NEA looked at dollars?

Carla Hart UofT Student Association

Raising loan amt. makes no sense - leave less money for others

application deadline - flexible - Dec. 15th may be better cut out last minute students cause them to plan.

Vocational limits - don't support. (thought we meant degrees - don't, only mean non-degree prog.)

forgiveness/interest rates - many subsidized loan programs

Kerry

Jan 1 OK

Sectoral Loans - D.O. Law says in letter of the law ok - for degree from religious College or Ch.

Vic leave at 2 yrs.
bona fide form

Joe legislative findings cause
why 2 yr residency is constitutional
~~★~~ asked Maynard to draft ~~★~~

Vic Compare to other statutes for residency

differential interest rate. — higher out of Alaska
lower while living in state.

higher forgiveness on interest

completed program or degree

— interest tied to Fed. rate for guaranteed
student loans

unless live in Alaska

2) completed degree or program.

STATE OF ALASKA
FISCAL NOTE

Revision Date 4/18, 1983

I. REQUEST

Bill/Resolution No.: CSSB 209
 Title: Act Re: Scholarship Loans
 Sponsor: Rules/Governor
 Requestor: Senate HESS

II. FISCAL DETAIL

Agency Affected: Education
 Program Category Affected: Postsecondary Comm.
 BRU, Program of Subprogram(s) Affected: Student Loans

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING						
CAPITAL	N.A.	-0-	-0-	(77.5)	(275.4)	(1,215.6)
REVENUE				93.5	372.5	1,562.8

FUNDING: (Thousands of Dollars)

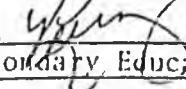
GENERAL FUND	N.A.	-0-	-0-	(77.5)	(275.4)	(1,215.6)
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME	N.A.	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Kerry D. Romesburg  Phone: 465-2854
 Division: Commission on Postsecondary Education Date: 4/18/83
 Approved by Commissioner: _____ Date: _____
 Department: _____

Distribution:

Original to Legislative Finance
 Copy to Office of Management and Budget (for Legislature introduced bills)
 Copy to Department (for Governor introduced bills)
 Copy to Sponsor
 Copy to Requestor (if different from Sponsor)

3/8/83

CSSB209

Analysis:

(a) Increasing interest from 5% to 8%

FY84 \$ 0	FY87 \$ (372.5)
FY85 \$ 0	FY88 \$ (1,562.8)
FY86 \$ (93.5)	FY89 \$ (3,210.2)

(b) Increasing forgiveness on interest to 70%

FY84 \$ 0	FY87 \$ 97.1
FY85 \$ 0	FY88 \$ 347.2
FY86 \$ 16.0	FY89 \$ 694.4

(c) January 1 deadline will reduce program costs, but this is an undetermined amount at present.

(d) Multiple-institution enrollments will increase demand, but this too cannot be estimated with any degree of accuracy.

(e) Limiting career fields has the potential of reducing loans, but this is dependent upon action of two separate committees and cannot be anticipated.

(f) The only costs included in the fiscal note are those in (a) and (b) above.

CS FOR SENATE BILL NO. 209 (HESS)

AN ACT RELATING TO SCHOLARSHIP LOANS AND PROVIDING FOR AN EFFECTIVE DATE.

SECTION 1 FINDINGS AND PURPOSE

JUSTIFICATION OF RETENTION OF TWO YEAR RESIDENCY REQUIREMENT

JUSTIFICATION OF JANUARY 1 DEADLINE AND ANTICIPATED USAGE.

SECTION 2 AMENDS AS 14.43.120 TO ALLOW A STUDENT TO QUALIFY FOR A STUDENT LOAN IF ENROLLED IN MORE THAN ONE COLLEGE OR UNIVERSITY PROGRAM WITH FULL TIME HOURS OR CREDITS.

SECTION 3 RAISES THE INTEREST RATE TO EIGHT PER CENT.

SECTION 4 INCLUDES INTEREST, ALONG WITH THE PRINCIPAL, IN THE FORGIVENESS FORMULA IF THE RESIDENT REMAINS IN THE STATE FOLLOWING EDUCATION.

SECTION 5 AMENDS AS 14.43.120 TO LIMIT THE AMOUNT OF TIME EXEMPTED FOR THOSE IN MILITARY SERVICE TO FOUR YEARS BEFORE LOANS MUST BE PAID BACK.

SECTION 6 REPEALS AND REENACTS THE ELIGIBILITY FOR STUDENT LOAN SECTION:

(2) IS NEW, DISQUALIFYING ANYONE WHO IS IN DEFAULT ON A SCHOLARSHIP LOAN AWARD.

(3) AMENDS REQUIREMENTS TO ALLOW THE APPLICANT, OR THEIR DEPENDENTS OR SPOUSE ACCOMPANYING THEM, TO QUALIFY FOR A LOAN IF THEY WERE PRESENT IN THE STATE TWO YEARS BEFORE APPLICATION AND ARE ABSENT FOR MILITARY SERVICE, MEDICAL CARE, ATTENDING SCHOOL AS A FULL TIME STUDENT OR EMPLOYED BY THE STATE OR CONGRESSIONAL DELEGATION.

SECTION 7 CHANGES THE APPLICATION DEADLINE TO JANUARY 1

SECTION 8 SETS UP A THREE MEMBER PANEL TO ANNUALLY REVIEW VOCATIONAL CAREERS AND IN-STATE CAREER OPPORTUNITIES IN ORDER TO SET LIMITATIONS ON THE NUMBER OF LOANS ALLOWED BY VOCATIONAL FIELDS ACCORDINGLY.

SECTION 9 REPEALS AS 14.43.130 SELECTION CRITERIA (POINT SYSTEM)

SECTION 10 EFFECTIVE DATE FOR JANUARY 1 APPLICATION DATE.

SECTION 11 TEMPORARY LAW - THIS SECTION GIVES THE COMMISSION ON POST SECONDARY EDUCATION THE AUTHORITY TO ADOPT STRINGENT RESIDENCY REQUIREMENTS BY REGULATION IF THE CURRENT REQUIREMENT IS FOUND UNCONSTITUTIONAL OR OTHERWISE INVALID.

SECTION 12 EFFECTIVE DATE.

1982-83 LOAN AWARDS AND ANNUAL JOB OPENINGS
BY OCCUPATION AREAS

Occupational Title	1982/1986 Employment	Ave. Annual Job Openings*	Voc/Tech Schools		Community Colleges		Total Loan Awards
			In-State Loan Awards	Out-of-State Loan Awards	In-State Loan Awards	Out-of-State Loan Awards	
Accounting Clerks	1823/2192	143	64	7	59	8	138
Aircraft Mechanics	885/1052	54	5	12	25	6	48
o Airplane Pilots	1078/1297	57	303	51	6	5	365
Air Traffic Controllers	555/565	12	0	0	2	0	2
Announcers-Radio/TV	132/155	6	0	1	0	3	4
o Auto Body Repairers	104/126	8	0	15	0	0	15
Automotive Mechanics	1493/1822	95	28	4	19	2	53
Bakers	149/180	14	4	0	0	1	5
o Barbers	45/56	5	20	0	0	0	20
Bookkeepers	2433/2993	209	4	0	0	0	4
Buyers-Retail/Wholesale	213/267	25	0	4	0	0	4
Camera Repairers	18/22	1	0	1	0	0	1
Carpenters	2188/2522	142	3	1	0	3	7
o Caseworkers	459/532	29	26	0	10	1	37
Child Care Workers	533/660	49	1	0	0	0	1
Clerical Supervisors	904/1125	78	10	1	0	0	11
o Commercial Artists	72/88	5	1	5	2	3	11
Commercial Divers	NA	NA	0	10	0	0	10
o Computer Programmers	259/314	15	6	13	134	14	167
Cooks	2580/3140	227	5	1	1	1	8
o Cosmetologists/Hairstylists	333/414	32	233	8	0	1	242
Dental Assistants	297/362	26	0	2	7	2	11
o Dental Hygienists	110/137	13	0	0	22	0	22
o Diesel Mechanics	681/845	56	19	61	48	4	132
Drafters	536/657	38	0	11	16	3	30
o Electric Motor Repairers	29/36	2	1	2	0	0	3
Electricians	1399/1630	101	0	3	0	0	3
Electronic Mechanics	110/118	3	1	0	0	0	1
o Electronic Technologists	1504/1740	66	0	30	121	11	162
o Emergency Medical Technicians	12/13	0	0	0	0	2	2

* Projected annual job openings (1981-86) are those resulting from 1) industry growth and 2) death, retirement, and disability. Turnover openings are not included.

o Occupation areas in which loan awards exceed estimated job openings.

1982-83 LOAN AWARDS AND ANNUAL JOB OPENINGS
BY OCCUPATION AREAS (continued)

Occupational Title	1982/1986 Employment	Ave. Annual Job Openings*	Voc/Tech Schools		Community Colleges		Total Loan Awards
			In-State Loan Awards	Out-of-State Loan Awards	In-State Loan Awards	Out-of-State Loan Awards	
Flight Attendants	114/139	14	0	1	0	1	2
Flight Engineers	75/91	10	7	0	0	0	7
Food Service Workers	2942/3601	232	10	0	16	1	27
Forest Technicians	NA	NA	8	0	0	0	8
Heavy Equipment Mechanics	NA	NA	17	1	0	0	18
Heavy Equipment Operators	3051/3590	188	0	24	1	1	26
Helicopter Pilots	NA	NA	3	5	0	0	8
Horticulturists	NA	NA	0	4	0	0	4
o Jewelers	47/60	5	0	5	0	1	6
Kitchen Helpers	1981/2438	163	1	0	0	0	1
Legal Assistants	122/146	8	0	0	0	1	1
Machinists	359/420	35	0	1	0	0	1
Maintenance Repairers	2545/3067	217	17	0	0	0	17
o Marine Mechanics	35/41	2	0	0	0	5	5
Medical Assistants	247/308	15	0	0	9	0	9
o Medical Lab Technicians	87/109	8	0	0	14	0	14
Office Clerks	5596/6654	382	8	3	35	2	48
Photographers	95/117	9	0	3	0	0	3
Physicians Assistants	68/85	7	0	0	0	1	1
Plumbers	1101/1254	67	0	0	1	0	1
Police Administrators/Officers	1137/1253	44	0	0	9	1	10
Radiologic Technicians	44/55	4	0	0	1	1	2
o Refrigeration Mechanics	92/102	6	0	9	17	0	26
Roustabouts	853/1298	118	8	0	0	0	8
Secretaries	4944/5997	454	70	2	5	1	78
o Surveyors	407/483	21	0	8	28	0	36
Ticket Agents	577/701	40	8	11	0	1	20
Truck Drivers	3658/4417	212	0	1	0	0	1
Typists	3358/3813	226	53	0	1	1	55
o Welders & Flame Cutters	791/926	63	173	40	27	8	248
TOTALS			1117	361	636	96	2210

Source: Occupational Employment Forecast, Alaska Department of Labor, September 1981

A M E N D M E N T

Offered in the SENATE

By Faiks

TO: CSSB 209 (HESS)

Page 2, lines 9 and 10:

Delete "for at least two years"

Page 2, lines 12 and 13:

Delete "principal and 70 percent of the total interest [LOAN]"

Insert "loan" in its place

Page 2, line 14:

Delete "two - three years"

Insert one year [TWO - THREE YEARS]" in its place

Page 2, lines 14 and 15:

Delete "of the total principal and 14 percent of the total interest"

Page 2, line 16:

Delete "three - four"

Insert "two [THREE - FOUR]" in its place

Page 2, lines 17 and 18:

Delete "of the total principal and 14 percent of the total interest"

Page 2, line 19:

Delete "four - five"

Insert "three [FOUR - FIVE]" in its place

Page 2, lines 20 - 21:

Delete "of the total principal and 14 percent of the total interest"

Page 2, line 22:

Delete "five - six"

Insert "four [FIVE - SIX]" in its place

Page 2, lines 23 and 24:

Delete "of the total principal and 14 percent of the total interest"

Page 2, line 25:

Delete "over six"

Insert "five [OVER SIX]" in its place

Page 2, line 26:

Delete "of the total principal and 14 percent of the total interest"

COMMITTEE REPORT

SENATE

3/25/83

FURTHER: Finance

Date: 4/15/83

Mr. President:

The Committee on ESS has had SB 209

Relating to scholarship loans; and eff. date.

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 209 same title
 new title
- and recommends do pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

STATE OF ALASKA

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

BILL SHEFFIELD, GOVERNOR

POUCH FP
JUNEAU, ALASKA 99811
PHONE: (907) 465-2854

RECEIVED

APR 20 1983

Josephson,

April 15, 1983

The Honorable Joe P. Josephson
Alaska State Senator
Pouch V, State Capitol
Juneau, Alaska 99811

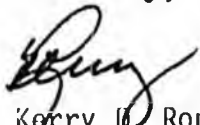
Dear Senator Josephson:

In your April 8, 1983 letter to me regarding student loans, you asked about students enrolled in five-year undergraduate programs. In accordance with AS 14.43.120(d), a student may borrow for up to five years of undergraduate study or up to five years of graduate study, but for not more than eight years total. This means that a student enrolled in a five-year dual baccalaureate program would be eligible to borrow for all five years.

The only point to be remembered is that this leaves a maximum eligibility of three years for graduate borrowing. Otherwise, there should be no difficulty.

If you have further questions, please let me know.

Sincerely,



Kerry L. Romesburg
Executive Director

CS FOR SENATE BILL NO. 209 (HESS)

AN ACT RELATING TO SCHOLARSHIP LOANS AND PROVIDING FOR AN EFFECTIVE DATE.

- SECTION 1 FINDINGS AND PURPOSE
- JUSTIFICATION OF RETENTION OF TWO YEAR RESIDENCY REQUIREMENT
- JUSTIFICATION OF JANUARY 1 DEADLINE AND ANTICIPATED USAGE.
- SECTION 2 AMENDS AS 14.43.120 TO ALLOW A STUDENT TO QUALIFY FOR A STUDENT LOAN IF ENROLLED IN MORE THAN ONE COLLEGE OR UNIVERSITY PROGRAM WITH FULL TIME HOURS OR CREDITS.
- SECTION 3 RAISES THE INTEREST RATE TO EIGHT PER CENT.
- SECTION 4 INCLUDES INTEREST, ALONG WITH THE PRINCIPAL, IN THE FORGIVENESS FORMULA IF THE RESIDENT REMAINS IN THE STATE FOLLOWING EDUCATION.
- SECTION 5 AMENDS AS 14.43.120 TO LIMIT THE AMOUNT OF TIME EXEMPTED FOR THOSE IN MILITARY SERVICE TO FOUR YEARS BEFORE LOANS MUST BE PAID BACK.
- SECTION 6 REPEALS AND REENACTS THE ELIGIBILITY FOR STUDENT LOAN SECTION:
- (2) IS NEW, DISQUALIFYING ANYONE WHO IS IN DEFAULT ON A SCHOLARSHIP LOAN AWARD.
- (3) AMENDS REQUIREMENTS TO ALLOW THE APPLICANT, OR THEIR DEPENDENTS OR SPOUSE ACCOMPANYING THEM, TO QUALIFY FOR A LOAN IF THEY WERE PRESENT IN THE STATE TWO YEARS BEFORE APPLICATION AND ARE ABSENT FOR MILITARY SERVICE, MEDICAL CARE, ATTENDING SCHOOL AS A FULL TIME STUDENT OR EMPLOYED BY THE STATE OR CONGRESSIONAL DELEGATION.
- SECTION 7 CHANGES THE APPLICATION DEADLINE TO JANUARY 1
- SECTION 8 SETS UP A THREE MEMBER PANEL TO ANNUALLY REVIEW VOCATIONAL CAREERS AND IN-STATE CAREER OPPORTUNITIES IN ORDER TO SET LIMITATIONS ON THE NUMBER OF LOANS ALLOWED BY VOCATIONAL FIELDS ACCORDINGLY.
- SECTION 9 REPEALS AS 14.43.130 SELECTION CRITERIA (POINT SYSTEM)
- SECTION 10 EFFECTIVE DATE FOR JANUARY 1 APPLICATION DATE.
- SECTION 11 TEMPORARY LAW - THIS SECTION GIVES THE COMMISSION ON POST SECONDARY EDUCATION THE AUTHORITY TO ADOPT STRINGENT RESIDENCY REQUIREMENTS BY REGULATION IF THE CURRENT REQUIREMENT IS FOUND UNCONSTITUTIONAL OR OTHERWISE INVALID.
- SECTION 12 EFFECTIVE DATE.