

STUDENT  
LOAN  
INFO.

# STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

## ALASKA COMMISSION ON POSTSECONDARY EDUCATION

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

### M E M O R A N D U M

TO: Members of the Senate HESS Committee

Senator Joe Josephson, Chairman      Senator Paul Fischer  
Senator Vic Fischer                      Senator Pappy Moss  
Senator Rick Halford

FROM: Jane Byers Maynard, Director for Special Programs  
Alaska Commission on Postsecondary Education *JBM*

DATE: April 5, 1983

At the Senate HESS Committee meeting on student loans, Senator Vic Fischer requested the number of community college loan awards to students enrolled in vocational programs by occupation area. This information has been added to the list provided at the meeting showing loan awards and estimated annual job openings in several vocational fields.

Seven hundred and thirty-two loans to students attending 142 community colleges are listed. Total loan awards to students at vocational/technical schools and community colleges represent about 17% of 1982-83 loans awarded to date.

Adding community college information has increased the list of occupation titles from 49 to 60. There are 18 occupation areas in which loan awards exceed estimated annual job openings. The list also shows those vocations where state manpower needs are greatest.

If the Committee would like additional information, please contact me at 465-2854.

Enclosure

[ RECEIVED ]

APR 05 1983

Josephson,

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	67	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	2942/3501	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	58/85	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	6	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

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED  
AS A UNIT IN THE ORIGINAL DOCUMENT

# ALASKA STATE LEGISLATURE

INTERIM OFFICE:  
P.O. BOX 81435  
FAIRBANKS, ALASKA 99708

IN SESSION:  
POUCH V  
JUNEAU, ALASKA 99811  
(907) 465-4930/4941



CHAIRMAN  
1983 INTERIOR DELEGATION

MEMBER  
TRANSPORTATION  
HEALTH, EDUCATION AND SOCIAL SERVICES  
LABOR SUBCOMMITTEE  
JOINT OIL AND GAS  
RURAL EDUCATION ATTENDANCE AREAS

Representative Mike Davis  
House District 19

## MEMORANDUM

To: Nancy Dietrich

From: Rep. Mike Davis

Date: March 23, 1983

Re: Senate Bill 197

Dear Nancy,

I am pleased that Sen. Josephson's scholarship loan bill includes provisions for students attending more than one school. I hope that the enclosed back-up materials are helpful for you.



University of Alaska, Juneau

11120 Glacier Highway

Juneau, Alaska

99801

(907) 789-2101

To: Chancellor Paradise

FEB 15 1983

From: Dianne Schmitt, Financial Aid Officer *DS*

Chancellor

Date: February 15, 1983

University of Alaska, Juneau

RE: LEGISLATION REGARDING THE ALASKA STUDENT LOAN PROGRAM

Senate Bill # 118 reduces the time a student must be in the state before applying for a loan, but also limits loans to students who apply before graduation from high school. The one year residency requirement (reduced from two years) will put a stop to litigation in that area. However, the requirement for all loan applicants to apply while still in high school will be a detriment to the spirit of the loan program and establish a new justification for litigation.

As the UAJ Financial Aid Officer, I must oppose this bill for several reasons. 1) It is sometimes difficult for high school students to decide if they want to go to college. I know there will be many young people who will neglect to fill out the application before high school graduation and later decide to go to college. This bill is asking all seventeen year old students in Alaska to decide their life goal without experiencing life beyond the academic setting. 2) Many students do not consciously choose a career path until several years after high school and after many life experiences. This bill would not afford this type of student the same opportunity as that provided for students who begin college shortly after high school. 3) Many students wait several years after graduation from a baccalaureate program before pursuing graduate study. This bill does not mention graduate study; therefore, I am assuming that it could also be interpreted to eliminate loans for post-baccalaureate students.

House Bill # 56 asks for the loan interest rate to be raised to 7% and for the loan to be limited to the cost of tuition, room and board. This bill is acceptable.

House Bill # 174 says that a student may attend classes at two institutions to accumulate the 12 credits required for the loan program. This bill is acceptable and also beneficial to many of the students in Southeast Alaska.



TANANA VALLEY COMMUNITY COLLEGE  
Fairbanks, Alaska 99701

February 17, 1983

Representative Mike Davis  
P.O. Box 81435  
College, Alaska 99708

Dear Mike:

In regards to HB 174, Tanana Valley Community College supports the bill relative to students who "in total" are enrolled in 12 credits or more which makes them a full-time student within the system.

Sincerely,

A handwritten signature in cursive script that reads "Rod".

Rodney Enos  
Campus President

RE/dac



# Alaska Statewide Student Association

P.O. BOX 548  
DOUGLAS, ALASKA 99824

REPRESENTING STUDENTS OF THE UNIVERSITY OF ALASKA STATEWIDE SYSTEM

ASSA requests that the following section be added to SPONSOR  
SUBSTITUTE FOR HOUSE BILL 56:

AS 14.43.120(c) is amended to read:

(c) To maintain a loan the student must continue to be enrolled as a full-time student in good standing or as a part-time student in good standing in more than one institution for a total number of credits equivalent to a full-time student 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.

At present, students enrolled at both UAF and TVCC, UAA and ACC, or Sitka CC and Sheldon Jackson may not receive scholarship loans unless they have a total of twelve credit hours at one or the other institution. This amendment would allow these perfectly legitimate, full-time students to be eligible for the loans.

Thank you.

Mike Davis Office  
Pouch V  
Juneau, Alaska 99811  
ATTN: Jonathan Sperber

January 20, 1983

Mr. Sperber:

Enclosed is my appeal for the Alaska Student Loan Program to reinstate my student loan which was denied for spring semester, 1983. Also attached are copies of forms that support my appeal. Please look these over and give me any help you can.

Much Appreciation...

Kathleen M. Smoyer

KATHLEEN M. SMOYER

P.O. Box 2652

Fairbanks, Alaska 99707

(907) 456-7250



UNIVERSITY OF ALASKA. FAIRBANKS  
Fairbanks, Alaska 99701

Smoyer, Kathleen

We are sorry to inform you that you are academically ineligible to receive the following financial aid at the University of Alaska-Fairbanks for the coming semester for the reason listed below:

TYPE OF AID

- |                                                    |                                                            |
|----------------------------------------------------|------------------------------------------------------------|
| <input type="checkbox"/> Pell Grant                | <input checked="" type="checkbox"/> Alaska Student Loan    |
| <input type="checkbox"/> UAF Scholarship/Grant     | <input type="checkbox"/> State Educational Incentive Grant |
| <input type="checkbox"/> McIntosh Estate Grant     | <input type="checkbox"/> Tuition/Fee Waiver                |
| <input type="checkbox"/> Alaska Native Scholarship | <input type="checkbox"/> BIA Grant-In-Aid                  |
| <input type="checkbox"/> State Room Scholarship    | <input type="checkbox"/> Guaranteed Student Loan           |
| <input type="checkbox"/> Athletic Grant            | _____                                                      |

REASON

- You were admitted/readmitted on academic probation.
- You did not meet program requirements for continued eligibility. (Since there are different requirements for various programs, you may be eligible for one type of aid and ineligible for another.)
- You received incomplete or deferred grade(s). These must be removed within 60 days after Registration or the aid will be cancelled.

Please contact our office in writing at least one week prior to Registration if you feel that an error has been made.

Sincerely,

Ida Greiner  
Director, Financial Aid

**UNIVERSITY OF ALASKA**  
 OFFICIAL GRADE REPORT FOR FALL  
 COLLEGE OF ARTS & SCIENCES

SMOYER KATHLEEN M  
 574-34-9200

82

12/29/82

COURSE NUMBER	COURSE TITLE	CREDITS	GRADE
J-B 102 001	BROADCASTING AND SOCIETY	3.0	A
J-B 203 001	BASIC PHOTOGRAPHY	3.0	B
J-B 215 001	AUDIO PRODUCTION	3.0	A
MUS 151MF 001	CLASS LESSONS - VOICE	1.0	B
MUS 161N 101	PRIVATE LESSONS - PERCUSSION	2.0	F
<b>TOTAL</b>			<b>12.0</b>

EXPLANATION OF GRADING	
GRADE	POINTS PER HOUR
A SUPERIOR	4
B ABOVE AVERAGE	3
C AVERAGE	2
D LOWEST PASSING GRADE	1
F FAILURE	0
ALL AUDIT	0
P PASSING	0
S SATISFACTORY	0
DF DEFERRED	0
I INCOMPLETE	0
WF WITHDREW PASSING	0
WF WITHDREW FAILING	0
NS GRADE NOT SUBMITTED	0
W WITHDRAW	0

SMOYER KATHLEEN M  
 P O BOX 2652  
 FAIRBANKS

AK 99707

ADVISOR - D GOTTEHRER  
 MAJOR - JOUR CLASS LEVEL - JUNR  
 HRS ATT HRS ERN HRS GPA PTS GPA  
 SEMESTER 12.0 10.0 12.0 36.0 3.00  
 UA CUM 12.0 10.0 12.0 36.0 3.00

**TANANA VALLEY COMMUNITY COLLEGE**  
 OFFICIAL GRADE REPORT FOR FALL  
 TANANA VALLEY COMM COLLEGE

SMOYER KATHLEEN M  
 574-34-9200

82

01/15/83

COURSE NUMBER	COURSE TITLE	CREDITS	GRADE
D M 183AT 901	CLASSICAL BALLET, DEG I	1.0	P
O O 146 902	FUNDAMENTALS DATA PROCESSING	3.0	A
<b>TOTAL</b>			<b>4.0</b>

EXPLANATION OF GRADING	
GRADE	POINTS PER HOUR
A SUPERIOR	4
B ABOVE AVERAGE	3
C AVERAGE	2
D LOWEST PASSING GRADE	1
F FAILURE	0
AU AUDIT	0
P PASSING	0
DF DEFERRED	0
I INCOMPLETE	0
NS GRADE NOT SUBMITTED	0
W WITHDRAW	0
NCR NO CREDIT RECEIVED	0
GEN Continuing Education Unit	0

SMOYER KATHLEEN M  
 PO BOX 2652  
 FAIRBANKS

AK 99707

CLASS LEVEL - UCS  
 HRS ATT HRS ERN HRS GPA PTS GPA  
 SEMESTER 4.0 4.0 4.0 12.0 4.00  
 TOT CUM 4.0 4.0 4.0 12.0 4.00

SMOYER KATHLEEN M  
574-34-9200

COLLEGE OF ARTS & SCIENCES  
SPRING 83

12/29/82

FREN 102	001	ELEMENTARY FRENCH II	5.0	0910-1010AM	MWF	GRUN 302	24473
				0940-1040AM	TR	GRUN 302	
J-B 303	001	INTERMEDIATE PHOTOGRAPHY	3.0	0400-0600PM	R	BUNL 014	27651
J-B 316	001	TELEVISION PRODUCTIONS	3.0	0150-0350PM	M	BUNL 15	27715
				0130-0530PM	W	KUAC	
J-B 400	001	ADVANCED MEDIA PRACTICUM	3.0	0100-0200PM	T	BUNL 14	27839
MUS 123 X	001	APPRECIATION OF MUSIC	3.0	0700-1000PM	W	MUS 309	31496
MUS 151MF	001	CLASS LESSONS - VOICE	1.0	HOURS	ARR		31763
MUS 161N	001	PRIVATE LESSONS - PERCUSSION	2.0	HOURS	ARR		32123

SMOYER KATHLEEN M  
P O BOX 2652  
FAIRBANKS

AK 99707

20.0 ADVISOR- D GOTTEHRER  
MAJOR- JOUR CLASS LEVEL- JUNR

**University of Alaska  
STATEMENT OF FEES**

1-19-83

Date Registered 1/15

SPRING 1983

Name SWANED KATHLEEN M U. of A. ID Number 57/23/20200 Birth Date 01/11/1962  
 LAST FIRST

Residency ALASKA RESIDENT Type 2 Major ICUE Campus FEDERALE CAMPUS

Phone \_\_\_\_\_

**- FEES**

Type of Fee	Code No.	Amount
Meal Ticket		
Residence Hall		
Graduate Fee -- Hours		
Credit Hour Fee Hours <u>30</u>	<u>DM</u>	<u>300</u>
Non-Resident Tuition Yes ( ) No (X)		
Health Insurance Premium		
Health Center Fee		
Campus Activity Fee	<u>AP</u>	<u>24</u>
Parking Fee		
Music Fee	<u>100</u>	<u>25</u>
	<u>100</u>	<u>75</u>
Material/Lab Fee <u>0.75</u>	<u>77</u>	<u>20</u>
TVCC Material Fee		
Deferred Payment Charge		
Late Registration Charge	<u>11</u>	<u>17.00</u>

Assessor AS Total Fees 544.00  
457.00 (50)

**SCHOLARSHIP AND OTHER CREDITS**

Description	*Account Number	Amount
1   005000	00000 0774 103010	00000 271
2		
3		
4		
5		

\*Must be an FAS no. or an Agency ARID

Total Scholarships 50.00

Net Fee Due 407.00

Total Deferred Payment or (check requested) \_\_\_\_\_

Cash Received or (disbursed) 407.00

**DEFERRED PAYMENT SCHEDULE**

Date Due	Amount
1	
2	
3	

**CHECK REQUEST MADE**

\_\_\_\_\_ ( )

**MEMO**

Cash	<input type="checkbox"/>	_____
Checks	<input checked="" type="checkbox"/>	_____
Total		<u>407.00</u>
Net Fee Due		<u>407.00</u>
Overpayment		<u>30.00</u>
Change		<u>137.00</u>

Fee Statement Auditor

By \_\_\_\_\_

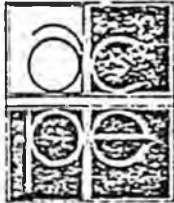
SIGNATURE OF STUDENT

CURRENT MAILING ADDRESS

Cashier

No.

I agree to pay in advance, cash noted above and to pay remaining sum in accordance with the deferred payment schedule until the total principal sum of this obligation has been discharged. Although no interest accrues, I understand, and agree, that in the event of default of payment of any installment of this obligation, the University of Alaska will be authorized to report such default to the credit bureaus and that if, in addition, I am a member of the University of Alaska Student Union, I will surrender any meal



ALASKA STUDENT LOAN PROGRAM  
 REQUEST FOR WAIVER OF GOOD STANDING  
 Requirements (20 AAC 15.040)

A. Student: <u>Kathleen M. Smoyer</u>		Social Security Number <u>574-34-9200</u>	
Current Mailing Address: Street <u>P.O. Box 2652</u>		City <u>Fairbanks</u>	State <u>Alaska</u>
Institution <u>University of Alaska - Fairbanks</u>		Zip Code <u>99707</u>	

B. I hereby request, for the reasons stated below, waiver of the good standing requirement for an Alaska Student Loan, as provided for in 20 AAC 15.040 (j), (k), and (l).

C. My loan was denied because of my failure to (please check):

- 1. maintain a cumulative C.P.A. of 2.0, undergraduate, or 3.0, graduate
- 2. maintain a term G.P.A. of 1.5, and/or
- 3. successfully complete a full-time student load the last term I borrowed under this program.

D. Reason for request (please check):

- Medical disability
- Death in the immediate family
- Administrative error
- Duress
- Record upon which ineligibility is based is from an attendance period five or more years in the past
- Other (Please explain)

Explanation attached.

E. Detailed explanation. Attach a detailed explanation of your justification for a waiver. Be specific. If you are appealing on a grade point average basis, include what your cumulative average is and how you have performed in the last couple of years (by term). If you are appealing for less than full-time attendance, include how many hours you did complete, how many you failed to successfully complete, and explain. If you are offering a time argument, include why you feel you are now more prepared for school than you were when you established your "ineligible" record. Include documentation. Transcripts may be required, doctor's certification will be required, evidence of administrative error will need verification.

F. SIGNATURE: My signature below certifies that in the absence of a Notary Public or other official authorized to administer an oath, I personally certify under penalty of perjury that the foregoing and accompanying documentation are true.\*

Signed <u>Kathleen M. Smoyer</u>	Date <u>Jan 19, 1983</u>
Location: (City and State) <u>Fairbanks, Alaska</u>	

G. Keep one copy for your files, give one copy to your Financial Aid Office, and mail original to:

Alaska Commission on Postsecondary Education  
 Division of Student Financial Aid  
 Pouch FP  
 400 Willoughby Avenue  
 Juneau, Alaska 99811

\* Under AS 09.63.020(b), a person who makes false sworn certification which he does not believe to be true, under penalty of perjury is

Alaska Student Loan Program  
Pouch FP, 400 Willoughby  
Juneau, Alaska 99811  
ATTN: Director

January 19, 1983

This is to appeal the loss of my Alaska Student Loan for spring semester, 1983. It was denied on the grounds that I no longer meet the eligibility requirements. Fall semester, 1982 I took 12 credits at the University of Alaska-Fairbanks, earned 10 of those credits, for a semester GPA of 3.0. I also took 4 credits at T.V.C.C., earned those 4 credits, for a semester GPA of 4.0. I therefore, earned a total of 14 credits for the fall semester of 1982, with my total GPA being somewhere between 3.0 and 4.0

When I went to see the UAF Financial Aid officer, the explanation was I did not complete 12 credits to be classified as a full time student and therefore, could not receive my A.S.L.P. loan this semester. They stated UAF and T.V.C.C. are different and the credit I earned at T.V.C.C. does not count. It is true that I registered at two different places and received two separate grade reports. However, I paid only one tuition (that at UAF). This implies to me they are part of the same system.

With some research, I found that this division between UAF and T.V.C.C. is fairly recent and was told that notices of this were sent to all students, though I never received one. When I called the A.S.L.P. office in Juneau, I was told that they could do nothing unless the UAF Financial Aid office authorized me to receive the check. But when I went to Financial Aid they told me

they (UAF) didn't have the power to change the decision but that A.S.L.P. did. All I have encountered so far is this type of beaurocratic run-around and it is most confusing to me as a student. So I went to see George Winford (advisor and head of UAF Journalism department) who, by the way, supports my appeal. He informed me I could have my T.V.C.C. classes transfered to my UAF transcript, which I have done. It will now show that I have completed 14 credits for the fall semester of 1982.

Under Borrower's Responsibilities on my promissory note it states:

I must maintain good standing, as defined for this program, in order to receive disbursement of my loan under the Alaska Student Loan Program. Good standing is defined as enrolling and completing at least a full-time student load while maintaining a grade-point-average of at least a "C" for an undergraduate or "B" for a graduate student.

It is my interpretation that I did comply with this regulation as worded in Item #8 of promissory note signed 9/7/82, and as my transcript will show.

I have had to borrow the money to pay my fees for this semester but must pay that person back and have no money on which to live. I am an earnest college student and I need my A.S.L.P. loan to continue my education. Therefore, I request that you reinstate my Alaska Student Loan for the spring semester of 1983 on the grounds that I did meet the requirements: completion of 14 credits at a 3.0+ GPA in fall of 1982.

Please review my appeal and let me know immediately of your decision.

Thank you very much for your consideration...

MATHLEEN N. SMOYER (574-34-9200)

PLEASE NOTE: THE PRECEDING PAGES WERE TREATED  
AS A UNIT IN THE ORIGINAL DOCUMENT.

ALASKA STUDENT LOANS

Background and Discussion Materials  
for the Senate HESS Committee

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## PROGRAM DESCRIPTION

### PURPOSES

1. To provide Alaskans with access to postsecondary educational resources through low-interest loans to students.
2. To encourage an educated citizenry through initial access to education and training and through inducements to utilize that education and training in Alaska.

### TERMS

1. Undergraduates and vocational students may borrow up to \$6,000 per year of full-time study.
2. Graduate students may borrow up to \$7,000 per year of full-time study.
3. Students may borrow for up to 5 years of undergraduate study, or up to 5 years of graduate study, but for not more than 8 years combined.
4. A student must be a two-year Alaska resident to borrow and must maintain full-time study in good standing to continue borrowing Alaska student loans.
5. Loans may be used for attendance at any approved institution.
6. Proceeds from loans may only be used for the costs of tuition and fees, room and board, and books and supplies.
7. Loan repayment begins one year after the student ceases to be a full-time student (except for approved periods of deferment).
8. Repayment is over a 10-year period with provision for extending to 15 years if necessary.
9. Interest charged on the loans is 5%.

### FORGIVENESS

If, upon completion of the program of study for which the loan was granted, the borrower resides in Alaska, a portion of the loan, plus interest, shall be forgiven by the State. That portion, for up to a total of 50%, shall accrue as follows:

1. 2-3 years residence in the state, 10%
2. 3-4 years residence in the state, an additional 10%
3. 4-5 years residence in the state, an additional 10%
4. 5-6 years residence in the state, an additional 10%
5. Over 6 years residence in the state, a final 10%.

This residence must be continuous and must begin within one year of completion of program.

REPAYMENT SCHEDULE

IF YOUR STUDENT LOANS TOTAL:	YOUR MONTHLY PAYMENT FOR 120 MONTHS (10 YRS.) WOULD BE:	TOTAL TO BE REPAYED:		
		5% Interest	Principal	Total
\$1,000.00	\$ 10.61	\$ 273.20	\$1,000.00	\$ 1,273.20
2,000.00	21.21	545.20	2,000.00	2,545.20
3,000.00	31.83	818.40	3,000.00	3,818.40
4,000.00	42.43	1,091.60	4,000.00	5,091.60
5,000.00	53.06	1,363.60	5,000.00	6,363.60
6,000.00	63.64	1,636.80	6,000.00	7,636.80
7,000.00	74.25	1,910.00	7,000.00	8,910.00
8,000.00	84.95	2,182.00	8,000.00	10,182.00
9,000.00	95.46	2,455.20	9,000.00	11,455.20
10,000.00	106.07	2,728.40	10,000.00	12,728.40
15,000.00	159.10	4,092.00	15,000.00	19,092.00
20,000.00	212.13	5,455.60	20,000.00	25,455.60
25,000.00	265.16	6,819.20	25,000.00	31,819.20
30,000.00	318.20	8,184.00	30,000.00	38,184.00
35,000.00	371.23	9,547.60	35,000.00	44,547.60
40,000.00	424.26	10,911.20	40,000.00	50,911.20
45,000.00	477.29	12,274.80	45,000.00	57,274.80
50,000.00	530.33	13,639.60	50,000.00	63,639.60

## 1982-83 ALASKA STUDENT LOANS

### 1. Program Status (March 11, 1983)

<u>Student Level</u>	<u>Number</u>	<u>Amount</u>
Freshman	3,844	\$15,200,300
Sophomore	2,631	11,134,250
Junior	1,920	8,273,000
Senior	1,694	7,240,550
Vocational	1,580	7,982,100
Undergraduate	11,669	49,830,200
Graduate	1,137	6,110,550
TOTAL	12,806	\$55,940,750

### 2. In-State/Out-of-State Attendance by Level (March 11, 1983)

<u>Student Level</u>	<u>Alaska</u>	<u>%</u>	<u>Out-of-State</u>	<u>%</u>
Freshman	2,078	54.1	1,766	45.9
Sophomore	1,268	48.2	1,363	51.8
Junior	872	45.4	1,048	54.6
Senior	789	46.6	905	53.4
Vocational	1,157	73.2	423	26.8
Undergraduate	6,164	52.8	5,505	47.2
Graduate	277	24.4	860	75.6
TOTAL	6,441	50.3	6,365	49.7

### 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 (March 11, 1983)

<u>Freshman</u>	<u>Sophomore</u>	<u>Junior</u>	<u>Senior</u>	<u>Vocational</u>	<u>Undergraduate</u>	<u>Graduate</u>
AK-2,078	AK-1,268	AK- 872	AK- 789	AK-1,157	AK-6,164	AK- 277
WA- 384	WA- 295	WA- 263	WA- 240	CO- 123	WA-1,276	CA- 166
OR- 289	OR- 255	OR- 172	OR- 144	WA- 94	OR- 906	WA- 156
CA- 198	CA- 137	CA- 89	CA- 87	AZ- 48	CA- 552	OR- 124
ID- 120	AZ- 81	AZ- 57	AZ- 50	OR- 46	CO- 366	CO- 33
AZ- 113	CO- 71	UT- 52	ID- 42	CA- 41	AZ- 349	MA- 32
HA- 102	ID- 69	HA- 51	HA- 36	OK- 17	HA- 265	HA- 24
CO- 98	HA- 68	CO- 40	UT- 35	HA- 8	ID- 265	UT- 22
UT- 55	UT- 54	MT- 35	CO- 34	FL- 7	UT- 198	TX- 21
MT- 42	TX- 39	ID- 33	TX- 28	MN- 5	TX- 150	NY- 19
<u>ZZ- 365</u>	<u>ZZ- 294</u>	<u>ZZ- 256</u>	<u>ZZ- 209</u>	<u>ZZ- 34</u>	<u>ZZ-1,178</u>	<u>ZZ- 263</u>
3,844	2,631	1,920	1,694	1,580	11,669	1,137

5. Age Distribution of Borrowers (January 18, 1983)

<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 (January 18, 1983)

<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
<u>Undergraduate</u>	<u>551</u>	<u>2,115</u>	<u>2,668</u>	<u>7,040</u>	<u>12,374</u>
<u>Graduate</u>	<u>177</u>	<u>293</u>	<u>308</u>	<u>404</u>	<u>1,182</u>
<u>TOTAL</u>	<u>728</u>	<u>2,408</u>	<u>2,976</u>	<u>7,444</u>	<u>13,556</u>

% 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  
 (Current Program)

Year	Loan Awards	Loan Volume	Cumulative Total	Average Loan	Loan Collections	Federal Funds	Forgiveness	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	1,768	465,530	-0-	44,233	2,977,467
1976-77	1,921	3,850,507	17,353,029	2,004	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	13,732,325
1981-82	9,898	40,559,493	94,264,763	4,098	2,779,900	1,000,000	785,769	36,819,599
1982-83*	12,500	56,250,000	150,514,763	4,500	4,604,046	1,200,000	(1,367,555)	54,563,309
1983-84	15,000	73,500,000	224,014,763	4,900	7,591,895	850,000	2,311,210	65,058,105
1984-85	17,741	99,349,600	323,364,363	5,600	11,187,099	675,000	3,458,423	87,487,501
1985-86	19,000	112,100,600	435,464,963	5,900	15,277,653	500,000	4,750,002	95,728,947
1986-87	21,100	124,490,000	559,954,963	5,900	20,742,021	350,000	6,432,819	103,397,975
1987-88	22,489	133,809,550	693,764,513	5,950	24,787,158	225,000	8,113,038	108,797,392
1988-89	24,365	144,971,750	838,736,263	5,950	28,423,931	150,000	10,617,441	116,397,819

\*1982-83 through 1988-89 are projections

TABLE 1

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

*Continued  
protection*

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
✓ Wilhurs Flight Operation	53	286,300
✓ Fort Richardson Flying Club	49	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
<del>T&amp;H Real Estate Institute</del>	1	6,000
Northwest Community College	1	5,000
Charismatic Bible College	1	4,500
<del>Bar Review</del>	1	4,000
Delta Greely Rural Educational Center	1	3,000
Alaska Media Workshop	1	550
TOTAL	8,002	\$26,648,006

110  
80  
53  
119  
298

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	1,026,136
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

SAMPLE STUDENT BUDGETS  
(1982-83)\*

Budget Item	UAF On-Campus	UAF Off-Campus	UAA	UAJ	ACC	Kenai Penn. C.C.	APU On-Campus	SJC On-Campus
Tuition & Fees	\$ 788	\$ 788	\$ 648	\$ 624	\$ 632	\$ 632	\$3,190	\$3,100
Room & Board	2,100	4,800	4,096	4,650	4,608	4,608	3,050	3,000
Books & Supplies	400	400	270	300	270	270	270	250
Subtotal	\$3,288	\$5,988	\$5,014	\$5,574	\$5,510	\$5,510	\$6,510	\$6,350
Transportation	1,000	1,000	640	600	720	1,080	1,080	100
Personal	800	800	768	775	864	864	768	630
Total	\$5,088	\$7,788	\$6,422	\$6,949	\$7,094	\$7,454	\$8,358	\$7,080

Budget Item	Oregon State U On-Campus	U of Oregon On-Campus	Willamette U On-Campus	Linfield College On-Campus	Lewis & Clark College On-Campus	U of Washington On-Campus	Western Washington U On-Campus
Tuition & Fees	\$4,050	\$4,020	\$5,570	\$ 5,555	\$6,444	\$3,255	\$3,210
Room & Board	2,100	2,250	2,350	2,550	2,603	2,601	2,100
Books & Supplies	300	285	250	290	225	300	300
Subtotal	\$6,450	\$6,555	\$8,170	\$ 8,395	\$9,272	\$6,156	\$5,610
Transportation	1,240	1,126	1,800	1,850	1,560	1,525	1,500
Personal	1,320	990	530	715	575	1,041	600
Total	\$9,010	\$8,671	\$10,500	\$10,960	\$11,407	\$8,722	\$7,710

Budget Item	Washington State U On-Campus	Pacific Lutheran U On-Campus	U Puget Sound On-Campus	Gonzaga U On-Campus	Seattle U On-Campus	Arizona State U On-Campus	Northern Arizona U On-Campus
Tuition & Fees	\$3,256	\$ 5,280	\$ 5,480	\$ 4,700	\$ 4,725	\$3,250	\$2,750
Room & Board	2,200	2,370	2,580	2,420	2,493	2,320	1,770
Books & Supplies	330	330	400	330	330	288	275
Subtotal	\$5,786	\$ 7,980	\$ 8,460	\$ 7,450	\$ 7,548	\$5,858	\$4,795
Transportation	1,661	1,600	1,225	1,660	1,736	1,200	1,200
Personal	900	900	700	900	900	1,040	650
Total	\$8,350	\$10,480	\$10,385	\$10,010	\$10,184	\$8,098	\$6,645

\*All budgets are for single full-time undergraduate students for a full academic year.

SAMPLE STUDENT BUDGETS  
(1982-83)\*

Budget Item	U of Hawaii On-Campus	U of Idaho On-Campus	U of Montana On-Campus	Colorado State U On-Campus	U of Colorado On-Campus	U of Denver On-Campus	Stanford U On-Campus
Tuition & Fees	\$ 481	\$2,516	\$2,241	\$4,109	\$ 4,711	\$ 5,790	\$ 8,220
Room & Board	2,837	1,870	2,000	2,700	2,286	2,649	3,423
Books & Supplies	316	300	200	300	230	375	350
Subtotal	\$3,634	\$4,686	\$4,441	\$7,109	\$ 7,227	\$ 8,814	\$11,993
Transportation	1,099	1,450	1,044	1,675	1,716	1,746	1,990
Personal	688	600	500	150	1,417	690	745
Total	\$5,421	\$6,736	\$5,985	\$8,934	\$10,360	\$11,250	\$14,728

Budget Item	Boston U On-Campus	Purdue U On-Campus	Northwestern U On-Campus	Dartmouth College On-Campus	Brigham Young U On-Campus
Tuition & Fees	\$ 7,275	\$3,800	\$ 8,085	\$ 8,190	\$1,100
Room & Board	3,400	2,200	3,060	3,255	1,740
Books & Supplies	310	270	350	1,033	340
Subtotal	\$10,985	\$6,270	\$11,495	\$12,478	\$3,180
Transportation	1,540	1,880	1,560	1,865	1,100
Personal	600	760	650	1,600	200
Total	\$13,325	\$8,910	\$13,705	\$15,943	\$4,480

\*All budgets are for single full-time undergraduate students for a full academic year.

FISCAL IMPACTS OF CERTAIN CHANGES  
TO THE LOAN PROGRAM

	Additional Interest Income	7%	8%	9%	10%	11%
FY 84		\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
FY 85		-0-	-0-	-0-	-0-	-0-
FY 86		62,300	93,450	124,600	155,750	187,225
FY 87		248,300	372,450	496,600	620,750	744,900
FY 88		1,041,850	1,562,775	2,083,700	2,604,625	3,125,550
FY 89		2,140,150	3,210,225	4,280,300	5,350,375	6,420,450

	Savings By Changing Forgiveness	To 20%	To 10%	TO -0-
FY 84		\$ -0-	\$ -0-	\$ -0-
FY 85		-0-	-0-	-0-
FY 86		214,200	285,600	357,000
FY 87		520,200	693,600	867,000
FY 88		930,000	1,240,000	1,550,000
FY 89		1,491,000	1,988,000	2,485,000

All changes would be reflected by reducing the amount of State General Fund money needed by the program. To obtain the result of any combination of the above, simply add the impacts for the appropriate fiscal years. (For example: raising interest to 11% and eliminating forgiveness completely would save \$8.9 million in FY 89.)

# STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

## ALASKA COMMISSION ON POST-SECONDARY EDUCATION

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

### STATEMENT ON ALASKA STUDENT LOANS

The State of Alaska can make no better commitment of resources than investing in the education of its citizens. Direct support of Alaska's public elementary, secondary, and postsecondary school systems is vital to the state's continued growth and development. It is in the best interest of the state to provide access to these educational resources for the citizens of Alaska.

The best method of assuring access and opportunity is through the direct provision of educational services, but this is not always practical or possible, particularly at the postsecondary level. Therefore, the most effective and efficient method of attaining these goals of access and opportunity is through a system of low interest loans which allow the students to choose the educational setting most appropriate for their particular needs.

The Commission endorses and recommends the continuation and full-funding of the Alaska State Student Loan Program. Amendments which restrict access by denying loans to groups of Alaskans, either by design or by default, are vigorously opposed. However, the fiscal climate of the state, as well as increasing costs because of increased demand require that some modifications be made in the present program. Therefore, the Commission recommends:

1. interest rates be increased to 9%, and
2. forgiveness provisions be eliminated.

Additionally, the Commission will, by regulation, eliminate the practice of providing refunds for forgiveness benefits and will revert to the method of crediting the account.

3/2/83

STATE STUDENT LOAN ACTIVITY  
 Projected to 1988-89  
 (Current Maximums)  
 (9% Interest)  
 (No Forgiveness)

Year	Loan Awards	Loan Volume	Cumulative Total	Average Loan	Loan Collections	Federal Funds	Forgiveness	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	3,382,097	13,502,522	1,968	465,530	-0-	44,233	2,977,467
1976-77	1,921	3,850,507	17,353,029	2,004	1,141,461	-0-	64,746	2,709,046
1977-78	2,265	4,664,167	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*	12,500	56,250,000	150,514,763	4,500	4,604,046	1,200,000	(1,367,555)	51,813,509
1983-84	15,000	73,500,000	224,014,763	4,900	7,591,895	850,000	2,311,210	65,058,105
1984-85	17,741	99,349,600	323,364,363	5,600	11,187,099	675,000	3,458,423	87,487,501
1985-86	19,000	112,100,600	435,464,963	5,900	15,996,253	500,000	4,393,002	95,604,347
1986-87	21,100	124,490,000	559,954,963	5,900	21,238,625	350,000	5,565,819	102,901,375
1987-88	22,489	133,809,550	693,764,513	5,950	26,870,858	225,000	6,563,038	106,713,692
1988-89	24,365	144,971,750	838,736,263	5,950	32,704,231	150,000	8,132,441	112,117,537

\*1982-83 through 1988-89 are projections

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

*need for jobs -  
# of qualified  
students*

<u>Occupation Title</u>	<u>1982/1986 Employment</u>	<u>Ave. Annual Job Openings*</u>	<u>In-State Loan Awards</u>	<u>Out-of-State Loan Awards</u>
Accounting Clerks	1823/2192	143	64	7
Aircraft Mechanics	885/1052	54	4	5
o Airplane Pilots	1078/1297	57	303	51
Announcers-Radio/TV	132/155	6	0	1
o Auto Body Repairers	104/126	8	0	15
Automotive Mechanics	1493/1822	95	28	4
Bakers	149/180	14	4	0
o Barbers	45/56	5	20	0
Bookkeepers	2433/2993	209	4	0
Buyers-Retail/Wholesale	213/267	25	0	4
Camera Repairers	18/22	1	0	1
Carpenters	2188/2522	142	3	1
Caseworkers	459/532	29	26	0
Child Care Workers	533/660	49	1	0
Clerical Supervisors	904/1125	78	10	1
o Commercial Artists	72/88	5	1	5
Commercial Divers	NA	NA	0	10
o Computer Programmers	259/314	15	6	13
Cooks	2580/3140	227	5	1
o Cosmetologists/Hairstylists	333/414	32	233	8
Dental Assistants	297/362	26	0	2
o Diesel Mechanics	681/845	56	19	61
Drafters	536/657	38	0	11
o Electric Motor Repairers	29/36	2	1	2
Electricians	1399/1630	101	0	3
Electronic Mechanics	110/118	3	1	0
Electronic Technologists	1504/1740	66	0	30
Flight Attendants	114/139	14	0	1
Flight Engineers	75/91	10	7	0
Food Service Workers	2942/3601	232	10	0
Forest Technicians	NA	NA	8	0
Heavy Equipment Mechanics	NA	NA	17	1
Heavy Equipment Operators	3051/3590	188	0	24
Helicopter Pilots	NA	NA	3	5
Horticulturists	NA	NA	0	4
Jewelers	47/60	5	0	5
Kitchen Helpers	1981/2438	163	1	0
Machinists	359/420	35	0	1
Maintenance Repairers	2545/3067	217	17	0
Office Clerks	5596/6654	382	8	3
Photographers	95/117	9	0	3
o Refrigeration Mechanics	92/102	6	0	9

*work in the  
profession  
program*

\*Projected annual job openings (1981-1986) are those resulting from 1) industry growth and 2) death, retirement, and disability. Turnover openings are not included.

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

<u>Occupation Title</u>	<u>1982/1986 Employment</u>	<u>Ave. Annual Job Openings*</u>	<u>In-State Loan Awards</u>	<u>Out-of-State Loan Awards</u>
Roustabouts	853/1298	118	8	0
Secretaries	4944/5997	454	70	2
Surveyors	407/483	21	0	8
Ticket Agents	577/701	40	8	11
Truck Drivers	3658/4417	212	0	1
Typists	3358/3813	226	53	0
o Welders & Flame Cutters	791/926	63	173	40

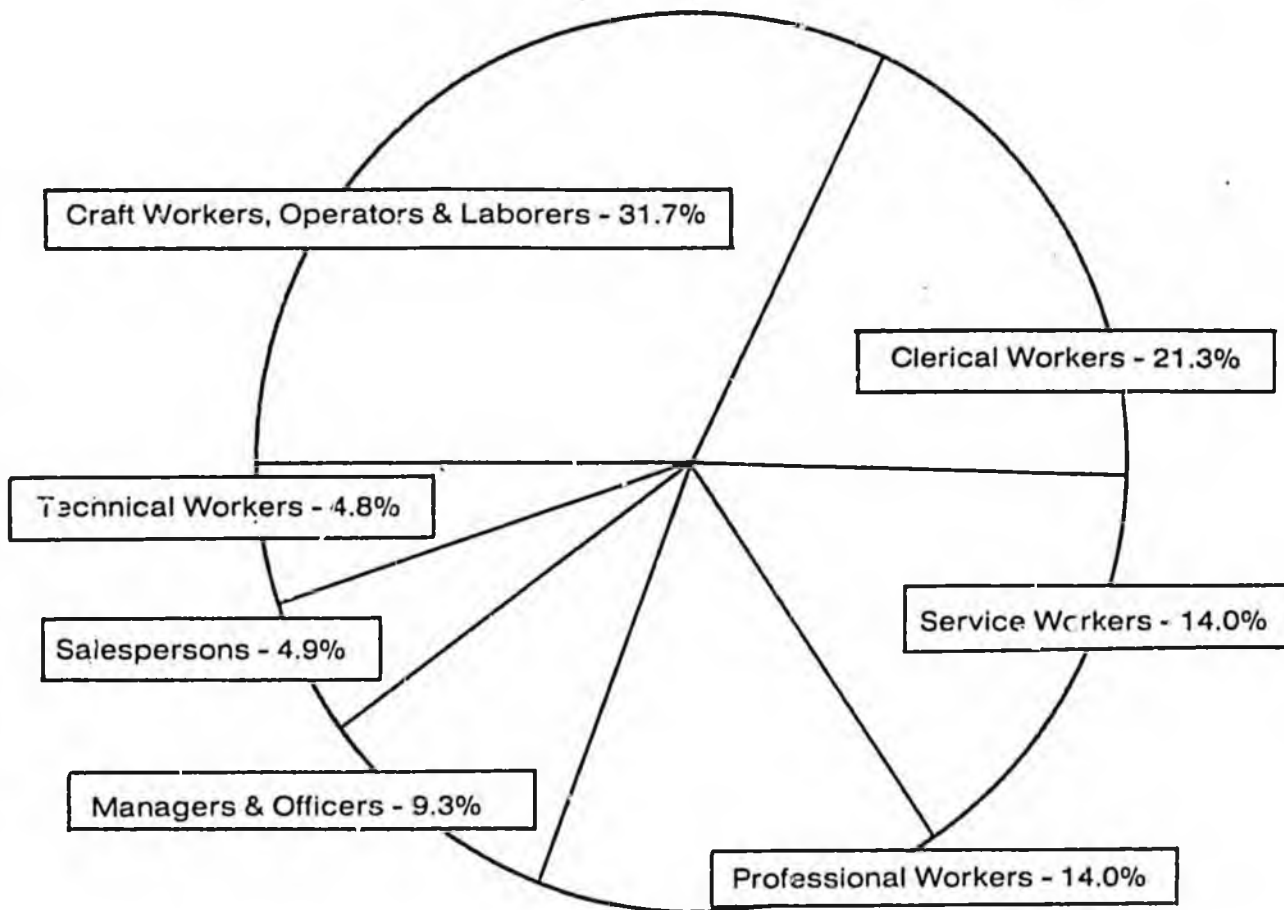
Logan

82-83  
233 1,140,000  
1,910,000

1084  
5090

2.6 million  
dollars

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



**ALASKA STATEWIDE EMPLOYMENT ESTIMATES  
PERCENT DISTRIBUTION OF MAJOR OCCUPATIONAL GROUPS  
1981**

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.

Proposed Amendment Clarifying Residency For Student Loans

Purpose: Residency is referred to, in a definitional way, in three sections of the loan statutes, AS 14.43.120(p), AS 14.43.125(a), and AS 14.43.125(b). Quite often the three separate references have led to confusion when an individual refers to the statutes. This amendment would combine the references into one statement.

Amendment: AS 14.43.125 is repealed and reenacted to read:  
Sec.14.43.125 ELIGIBILITY OF STUDENTS. A person may apply for and obtain a scholarship loan if the person

(1) is

(A) enrolled as a full-time student in a career education or 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; and

(2) is a resident who has been physically present in the state for at least two years at the time of application for the loan. For the 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; or

(B) is a person who is dependent upon a parent or guardian for care, and the parent or guardian has been physically present in the state for at least two years; or

(C) has been physically present in the state for at least two years immediately before becoming absent from the state and the absence is due solely to

(1) military service;

(2) attending school as a full-time student; or

(3) full-time employment by the state or its congressional delegation; and has maintained residency during that absence.

From Bob Maynard  
Dept. of Law

~~(Temporary section)~~

Section 5. If the two-year residency requirement in AS 14.43.125 is declared unconstitutional, the commission shall have the authority to promulgate regulations to impose as stringent a residency test as would be allowable under both the United States and Alaska Constitutions.

~~residual treatment~~  
~~in non-resident available~~  
in Alaska.

Longevity Bonus.

Suggested Addition to Proposed Loan Legislation

AS 14.43.120(k)(2) is amended to read:

(2) serving a first enlistment period of up to four years on active duty as a member of the armed forces of the United States;

From Bob Maynard  
Dept. of Law

~~(Temporary section)~~

Section 5. If the two-year residency requirement in AS 14.43.125 is declared unconstitutional, the commission shall have the authority to promulgate regulations to impose as stringent a residency test as would be allowable under both the United States and Alaska Constitutions.

PLEASE FILL IN YOUR OPINION ON THE FOLLOWING ISSUES IN THE APPROPRIATE SPACES:

	V. FISHER	P. FISCHER	MOSS
FORGIVENESS AMOUNT	AS IS	WHATEVER IS NECESSARY TO MAKE A REVOLVING LOAN FUNO.	20% - Fresh. / NO forgiveness until 5yr. of residency after school 25% - Soph. 50% - JR 100% - SR
STUDENT LOAN AMOUNTS (GRAD/UNDERGRAD)	6000 / 7000 AS IS	8000	6000 / 7000 AS IS
INTEREST RATE	8%	7-9% see	7%
APPLICATION DATE	Jan 1	Jan 1	1yr. prior to Admission
VOCATIONAL LIMITATION	VERY TIGHT NO FLIGHT SCHOOL	NOT UNLESS ALL FIELDS ARE LIMITED	none
RESIDENCY REQUIREMENT	2 yr.	no comment	1yr. prior to Application
FULL TIME STANDING REQUIREMENT	yes	yes BUT ONLY if AN APPROVED PROGRAM	no comment
OTHER		LOAN ONLY USED FOR ESSENTIALS	

SIGNATURE \_\_\_\_\_

no response from Senator Hartford; he's out of town.



UNIVERSITY OF ALASKA ALUMNI ASSOCIATION

UNIVERSITY OF ALASKA  
FAIRBANKS, ALASKA 99701

March 28, 1983

The Honorable Joe Josephson  
Senator, State of Alaska  
Pouch V  
Juneau, AK 99811

Dear Senator Josephson:

We as elected representatives of the alumni of the University of Alaska are writing you in support of the State student loan program. We are seriously concerned by comments appearing in the press suggesting full funding may be in jeopardy and that various categories of Alaskans may be excluded from applying for loans in the future.

The University of Alaska Alumni Association feels that one of the very best uses of state funds is investment in the future of Alaska through investment in the education and training of the citizens of Alaska. In support of this goal we urge appropriation of state funds adequate to meet the borrowing needs of qualified applicants for the Alaska student loan programs.

The Alumni Association is not opposed to an increase in interest rates for student loans to 9% or some other reasonable rate. We are also not opposed to some change in the loan forgiveness clause, although we would prefer to see forgiveness retained in some form.

We trust that our comments will assist you in making decisions regarding the several bills presently before the legislature which affect the student loan program.

Very truly yours,

Board of Directors  
University of Alaska Alumni Association

By Jim McCaslin Brown  
Jim McCaslin Brown, Vice President

JMB:meh

cc: President Jay Barton  
Dr. Kerry Romesburg

GENERAL FUND FISCAL IMPACT  
STUDENT LOAN BILLS

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SENATE BILL NUMBER	1984	1985	1986	1987	1988
SB 118	10,094.0	5,717.6	8,631.1	1,492.7	(19,873.0)
SB 185	12,375.0	10,573.7	11,748.8	18,077.0	24,796.5
SB 197	-0-	-0-	(93.5)	(372.5)	(1,562.8)
SB 209	-0-	-0-	(481.6)	(1,363.6)	N/A

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STUDENT LOAN BILLS

Eligibility of Students	Interest	Application Deadline	Loan Amount, undergrad/grad	Other	Repeaters
SB 118 Sackett	5%	None	6,000/7,000		
<ul style="list-style-type: none"> <li>. A high school senior or scheduled to graduate in six months</li> <li>. Residency 1 yr. at application</li> <li>. Loan application filed while in high school may be deferred 5 yrs.</li> <li>. One year resident, not a high school grad, may apply for loan for 1 year following effective date</li> </ul>					
SB 185 P. Fischer	5%	None	8,000/8,000		
SB 197 Josephson	8%	Jan. 1 effec. 84/85 school year.	6,000/7,000	More than 100 loans may not be approved for a single vocational field unless approved by a three member panel of the Commission.	AS 14.43.130 selection criteria (point system)
May be considered a full-time student if attending one or more institutions for a total number of hours or credits equivalent to full-time.					
SB 209 Governor	9%	Jan. 1 effec. Oct. 1, 1983	6,000/7,000		AS 14.43.120(j) loan forgiveness clause AS 14.43.120(o) relating to for- giveness AS 14.43.130 selection criteria (point system)
<ul style="list-style-type: none"> <li>. Not delinquent or default on an awarded scholarship loan</li> <li>. Resident one year at application</li> <li>. Physically in state one year prior to application. Exempt for: military service education employment by the state</li> </ul>					

ALASKA COMMISSION ON POSTSECONDARY EDUCATION  
COMMENTS ON STUDENT LOAN BILLS  
SENATE HESS

1. SB 118 (Sackett)

a. Section interpretation:

Sections 1 & 2 create the new criterion that a person must apply for a student loan while a senior in high school and must be a 12-month resident at time of application. The applicant then has up to 5 years to begin schooling.

Section 3 provides an "open enrollment" or "window" period of one year during which all other persons with at least a 12-month residency may apply for a loan.

b. Benefits:

1. Over a number of years, this program will require substantially less state support to be fully-funded.
2. If the state can not continue to fund all persons desirous of obtaining a student loan, this bill establishes which group is to be supported and which groups are not.
3. The new loan program proposed preserves the existing program in its present terms and conditions (other than eligibility).

c. Potential difficulties:

1. A number of persons would be excluded after the one-year "window" closes. Such persons might include:
  - (i) those not planning on attending a postsecondary school when they are seniors or during the "window" year;
  - (ii) those who do not become seniors (service, work, marriage, etc.), but later obtain a GED and wish to attend a postsecondary school (also those without the GED); and
  - (iii) those who move to Alaska after high school and decide, for one reason or another, to attend a postsecondary school (even if they live here 10 or 20 years).

2. SB 185 (P. Fischer)

a. Description: The bill simply increases the amount a student may borrow per year. The increase is from \$6,000 for an undergraduate and \$7,000 for a graduate, to \$8,000 for either.

b. Benefits:

1. Currently a number of students are attending programs which cost more than the current borrowing maximums -- even though we only fund for tuition & fees, room & board, and books & supplies. This bill would enable those persons to borrow additional money to meet those expenses (up to \$8,000 total).

c. Potential difficulties:

1. The change would require additional General Fund support during the early years. Eventually, these increased borrowing amounts will produce increased revenues (minus that being forgiven), but for the first five or six years, the increased borrowing amounts will not be offset by revenues.

3. SB 197 (Josephson)

## a. Section interpretation:

Section 1 allows a student to enroll in more than one institution and add up the multiple enrollments to be full-time.

Section 2 increases interest to 8%.

Section 3 imposes a January 1 application deadline.

Section 4 simply cleans up existing statute to conform with new January 1 application deadline.

Section 5 imposes new limits on career and vocational students, and potentially restricts the number of borrowers in a field for which manpower projections are well below the number seeking such training.

## b. Benefits:

1. Providing for multiple enrollment solves the problem of a student at the University of Alaska-Fairbanks who enrolls in 9 hours and wishes to enroll in an additional 3 hours at Tanana Valley Community College (for scheduling, unique class, instructor, etc).
2. Increasing the interest rate will provide increased revenue and thus decrease the General Fund requirement accordingly.
3. Increasing the interest rate also places interest at a level which may discourage some unnecessary borrowing.
4. Imposing a January 1 deadline date allows the state to better plan for the funding of student loans. The Governor and Legislature would know the exact demand for loans prior to budget submission and deliberations. Currently, everything is based upon projections, and the projections have been incorrect every year. This change would also allow for more ease in administration and the potential benefit of reshuffling staff to accommodate peak activity periods.
5. Limiting loans in certain career areas could reduce the demand for loans by millions of dollars annually. It could also eliminate the training of persons for jobs which may not be available.

## c. Potential difficulties:

1. Multiple enrollments may defeat the good standing requirements currently imposed. University officials have testified that they can not certify grades and enrollment for another institution. If they were to await transcripts to do so, loan checks would be delayed at the school for four to six weeks. The question of mixing quarter and semester systems was also raised.
2. Increasing interest to 8% will increase the monthly payment for the student when they get out of school. The increase from 5% to 8% would cost the student \$1.43 per month per thousand borrowed.
3. A January 1 application deadline could place a hardship on high school students planning postsecondary attendance or on persons not planning well in advance of enrolling. Vocational students may also be more strongly impacted than others.
4. ~~Section 4 of the bill should be deleted entirely. It contains language determined to be unconstitutional.~~
5. In restricting certain vocational fields -- are only vocational and proprietary schools included, or are certificate programs through community colleges also included?

4. SB 209 (Rules - Governor)

a. Section interpretation:

Section 1 increases interest to 9%. <sup>No.</sup>

Section 2 allows staff to deny loans to persons delinquent or in default on previous loans. <sup>Yes.</sup>

Section 3 changes residency requirement to one year and clears up problems with existing "physical presence" statutes.

Section 4 provides for a January 1 application deadline <sup>Yes</sup>

Section 5 eliminates the forgiveness provisions of the current program.

Sections 6 & 7 are effective dates.

b. Benefits:

1. The benefits and potential difficulties of increasing interest and imposing a deadline date are discussed with SB 197.
2. Sections 2 and 3 clear up certain problems with current statutes.
3. Eliminating forgiveness can save the state considerably in the years ahead and can make the fund much closer to being a revolving fund. It reduces the General Fund demand by increasing program revenues in the future.

c. Potential difficulties:

1. Forgiveness benefits may encourage or entice people to live in Alaska when they might be otherwise inclined to live elsewhere. If so, eliminating this benefit also eliminates the inducement for continued Alaskan residency.

5. SB 210 (Rules - Governor)

a. General description:

Alaska currently participates in the Federal Guaranteed Student Loan Program (GSL), but in a very limited manner. Only one bank (National Bank of Alaska) and three credit unions will make GSL's. The largest deterrent to private lender participation is the existence of the state loan program. The second deterrent is the problem of a secondary market for these GSL's. This bill provides a secondary market through bonding. Most states currently have this type of approach, because it actually produces income for the agency beyond the costs of bonding. It also allows for the private lending industry to make these loans at no risk and not have to be involved in the collection of student loans.

In essence, this new capability will provide an alternate source of student loan financing for those persons able to qualify and possibly unable to obtain a state loan for one reason or another.

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

*From N.D. DDJ*  
*900 students = C Ar.*  
*+ 12 Sen loans per term*  
*9000 student - B own*  
*to his 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	1,876	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)	111,667,060
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	(9,349,066)	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

*See*

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
<del>Fort Richardson Flying Club</del>	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.	(7)	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	1,026,136
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

## Alaska Student Loan Parent Committee

After spending several meetings learning about the Alaska Student Loan Program and meeting with various legislators, the parent group has emerged with positive feelings about the new Alaska Student Loan Program booklet which has been developed for wide spread distribution. The credibility of the program is good and the Post Secondary Commission has been responsive in organizing information. Several legislators have also been open, helpful and generous in their time with this group. We congratulate the Alaska State Legislature for giving us the best student loan program in the nation.

Our committee stance is decidedly positive and within that process, we have developed some general statements.)

1. We encourage strong parental involvement in the Educational State Loan Program. Certainly, it should be stressed that the loan is payable and there is a strong responsibility to complete repayment promptly.
2. Actuarial studies are requested that can show us how the loan monies can become "a revolving fund". We want this program to become a solvent fund.
3. The Alaska Student Loan Fund should not be discriminatory in any way. In other words, it must not be tied to "need". The way the formula acts now is giving support to all Alaskans.
4. Our concern is not just with the present group of young students but also with the generations to come.
5. We urge that the present facts on loan defaults and fraudulent use of the loans be published. It is important that the public understand that there is a full time staff following through on default loans and that 93 court cases have been decided in favor of the state. We believe that the media be fully utilized in dealing with misconceptions on present use of the loan funds and that a positive educational campaign be established.
6. We believe that the dispersement of the loans be tightened and that educational institutions use a standardized procedure.
7. We urge a local office be established in Anchorage to allay the frustration when obtaining information about individual loans.

# STATE OF ALASKA

AUDIT DIVISION  
POUCH W  
JUNEAU, ALASKA 99811

## THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

February 3, 1983

Kerry D. Romesburg  
Executive Director  
Postsecondary Education Commission  
Pouch F  
Juneau, AK 99811

Dear Mr. Romesburg:

The Legislative Budget and Audit Committee is concerned with certain "loopholes" that exist in current regulations governing loans made under the State's Scholarship Loan Program. In particular, the Committee is concerned that students may enroll for classes, receive their loans, and then subsequently withdraw from classes or school without receiving some sort of penalty or sanction.

For example, consider the following situation. Having received a \$3,000 student loan for his first semester of college, a student attends registration and enrolls for 12 semester credit hours. He then reports to the appropriate college personnel and receives his loan proceeds, less that portion retained by the college to cover tuition fees. Subsequent to registration, the student withdraws from school. At this point he may or may not be eligible for a complete or partial refund of tuition fees, depending on how far along he is in the semester. In any event, the student withdraws from school and retains funds that were intended to be used for tuition, books, room and board, but that now can be used any way he sees fit. Under current regulations, the ex-student is required to notify the Postsecondary Education Commission of his withdrawal from school, but there is no provision for any type of sanction - rather, the loan will still be due for payment at 5% over 10 years.

The Committee believes that situations similar to that described above do occur, and perhaps with some frequency. This is of concern to us because it was never the intention of the Alaska student loan program to provide low-interest, long-term loans for any purpose other than education.

Kerry D. Romesburg  
February 3, 1983  
Page 2

Therefore, it is this Committee's recommendation that the Postsecondary Education Commission develop regulations and modify promissory note language to make students who lose their good standing without showing good cause (as defined in 20AAC 15.085(16)) subject to sanctions. Specifically, the Committee recommends that these sanctions involve escalation of loan payments, loss of any forgiveness payments that may otherwise have been provided under AS 14.43.120(j), and increased interest rates in line with market values.

We believe it is necessary to develop and implement such sanctions as soon as possible, and look forward to your response in this regard.

Sincerely,



Bob Bettisworth  
Chairman  
Legislative Budget  
and Audit Committee

## SCHOLARSHIP REVOLVING LOAN FUND

Department: Education  
Type of Program: Lending  
Category: Education

### STATUTORY GOAL

Alaska Statutes 14.40.751 states that the purpose of the fund is to make scholarship loans to qualified students.

### BUDGETARY OBJECTIVE

The Fiscal Year 1983 operating documents state that the program's objectives are to:

1. To keep the level of State student loan availability commensurate with student need and demand.

### LEVEL OF CAPITALIZATION AND/OR APPROPRIATION

The fund balance at June 30, 1981 was \$49,121,000. Chapter 114, SLA 1982 appropriated \$52,000,000 from the General Fund, and \$986,100 from federal program receipts.

### TYPE OF LENDER

Loans are made directly to eligible students.

### RESPONSIBILITY OF THE EXECUTIVE

The Governor appoints five members of the thirteen-person Alaska Commission on Post-secondary Education. The Governor also has the power to review appropriations to the fund in accordance with the Executive Budget Act.

### RESPONSIBILITIES OF THE COMMITTEE

The Student Financial Aid Committee, composed of members of the Alaska Commission on Post-secondary Education, administers the fund. Alaska Statute 14.40.753(c) requires that the Committee submit an annual report to the Governor, the Legislature, and to private colleges and universities where students receiving tuition grants are enrolled.

### RESPONSIBILITIES OF THE LEGISLATURE

Title 24 of the Alaska Statutes entrusts the Legislative Budget and Audit Committee to:

1. Annually review the long-range operating plans and periodic reports from the committee responsible for the fund.

2. Present a complete report of investment programs, plans, performance, and policies of all agencies of the State which perform lending or investing functions to the Legislature within 30 days after the convening of each regular session.

TYPES OF STATISTICAL INFORMATION COLLECTED

The agency has collected the following information:

1. Survey of high school seniors to determine their post-secondary education plans and motivations for plans.
2. Survey of State's high school counselors to determine the utilization levels of selected Commission publications.
3. Number and amount of loans made annually to undergraduate and graduate students attending in-state and out-of-state educational institutions.
4. Summaries of the average size loan awarded each year.
5. Student loan collections and cancellations.
6. Summaries of undergraduate and graduate loan numbers and average amounts by state of attendance.

ADDITIONAL INFORMATION

The loan applicant shall be:

1. A resident of Alaska.
2. Enrolled as a full-time student in a career education or associate or graduate degree program or a high school graduate or have sufficient credits to begin college work.

Maximum loan amounts and other loan information appear below:

<u>Purpose</u>	<u>Maximum Loan</u>	<u>Term</u>	<u>Interest</u>
1. Undergraduate Study	\$6,000/yr.	10 yrs.	5.0%
2. Graduate Study	\$7,000/yr.	10 yrs.	5.0%

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.



# NEA - ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

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**Dianne Anderson**  
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**Steve Pulkkinen**  
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Anchorage Office

**Mary Ann Eninger**  
Deputy Executive Secretary  
Fairbanks Office

To: Senator Joe Josephson, Chair  
Members, Senate HESS Committee

Re: Senate Bills pertaining to the  
Student Scholarship Loan Program.  
(SB 118, 185, 197, 209, 210)

March 30, 1983

NEA-Alaska strongly urges continuation of the student scholarship program in the broadest perspective which is fiscally sound.

If financial constraints are necessary we would first encourage that the committee look to: a.) a modest increase in the interest rate (perhaps from 5% to 8%); b.) making the amount of the loan contingent on demonstrable need which would take into consideration all the financial resources available to the applicant; and, c.) a possible reduction or elimination in the amount of forgiveness.

Thank you for your consideration.

Respectfully submitted,

Robert Manners  
Executive Secretary

RM:11

9151 Skywood Lane  
Juneau, AK 99801  
March 29, 1983

The Honorable Joe P. Josephson  
Chairperson, Senate HESS Committee  
Room 508 Capitol Bldg.  
Juneau, Alaska

Re: Student Loan Program Revisions

Dear Senator Josephson and Committee Members:

Please do not recommend adoption of a provision that would limit recipients of student loans to persons who are graduates of Alaska high schools.

There are far better ways to solve "the residency problem." One reasonable method is that set forth in SB 209. Any method that requires one year of prior residence is likely to withstand court challenge. The requirement, at most state-supported universities, that out-of-state students pay a higher tuition (the "nonresident" rate) until they have resided in the state a year, is structurally analogous. In contrast, limiting loans to graduates of Alaska high schools would set up de facto sex and age discrimination having no rational relation to the objective sought, and is unlikely to withstand court challenge.

The reason I oppose such a restriction is that it would exclude significant groups of Alaska residents from participating in the student loan program. This would occur, no matter whether the applicant is Alaska-born, has been an Alaska resident for many years, or even is a State employee.

The kinds of groups that would be excluded would be, for example:

- 1) Veterans who decided to remain in Alaska and later needed to finish their four-year degree or obtain graduate or professional training.
- 2) Women who have lost their husbands, raised their families, and realize they must complete their four-year degree program in order to support themselves the rest of their lives.
- 3) Alaskans of both sexes and all ages who obtained their high school diploma through a G.E.D. certificate rather than through graduation from any high school.

4) Alaskans of both sexes and all ages who, in mid-life, return to college for a graduate degree, professional degree or special technical training. I can think of several State employees who took a year or two off to obtain graduate degrees in economics or political science -- skills a developing state like Alaska needs. I myself did not go to law school until I was past 40, and many around me were in the same situation. In today's world, educational needs do not end with simply going straight through grade school, high school and directly into college.

5) Permanent seasonal employees of, e.g., the Department of Fish and Game, who work as field technicians in the summer when the Department's employment requirements are at a peak, and are full-time college students, completing their degree program, during the school year.

These are a few examples; I am sure you can think of others. You will, no doubt, think of individuals you know who fit into these or similarly excluded categories, if a provision limiting loans to graduates of Alaska high schools is enacted.

Other aspects of the student loan program do need fine tuning, and I have no objection to any of the other aspects being considered in the bills that are now before this committee.

Thank you for considering my thoughts.

Sincerely,

  
Elizabeth Cuadra