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96



Alaska State Legislature
House of Representatives
COMMITTEE ON HEALTH, EDUCATION
AND SOCIAL SERVICES

OFFICIAL BUSINESS

POUCHV
JUNEAU, AK 99811
465-3759

TO: Members of the House HESS Committee
FROM: Deborah Niedermeyer, Committee Aide
DATE: 18 February, 1985
RE: HB 96, Student Loans

The Problem

To be eligible for an Alaska Student Loan, a undergraduate must take at least 12 credits. Statute requires that all of the credits be at a single institution unless there is a "consortium agreement" between the two institutions. University of Alaska, Fairbanks and Tanana Valley Community College have no such agreement. Thus, students taking a total of 12 credits at both the UAF and TVCC may be denied a student loan because no consortium agreement is in effect. Last year, students attending both the University of Alaska, Anchorage and Matanuska-Susitna Community College were in the same situation, but these institutions have since signed a consortium agreement.

History

In February, 1983, Rep. Mike Davis introduced HB 174 which would have made full time students enrolled in more than one institution eligible for student loans.

Although the bill was generally supported, the state's postsecondary administrators pointed out that since the bill allowed students to enroll in numerous institutions, no one college or university would be responsible for the students' transcripts. They also noted that filling out loan paperwork for a student enrolled in several institutions, (some perhaps through correspondence), would cause serious administrative difficulties. To reduce these problems, the institutions proposed that students be required to take 75% of their credits at a single institution, which would then take responsibility for the student's transcripts.

HB 174 died in committee.

In 1984, the Alaska Postsecondary Commission issued a regulation requiring students attending more than one college to take 75% of their credits at the degree-granting institution. This alleviates the concerns of administrators.

HB 96 and SB 17

HB 96 by Davis and SB 17 by Kerttula are identical. The bills delete the requirement that institutions sign a consortium agreement before students can qualify as full time by combining credits from both institutions. Passage of these bills would solve the loan problem encountered by students enrolled in two institutions, without placing a serious administrative burden on the institutions. The bills have zero fiscal notes and are supported by the Postsecondary Commission.

In the packet provided by Rep. Davis

- A copy of HB 96
- Position paper on HB 17 from the Alaska Postsecondary Commission
- Zero fiscal note for HB 96
- Memorandum on HB 96 from Rep. Mike Davis
- Memorandum on SB 17 from Senator Kerttula's office
- Zero fiscal note for SB 17
- Copy of SB 17
- Copy of regulation requiring student loans recipients enrolled in more than one institution to take 75% of their credits at the degree-granting institution
- AS 14.43.160 defining "full time student"
- AS 14.42.055 regarding academic consortia
- 1983 memorandum from Rep. Davis on HB 174
- Copy of 1983 HB 174
- Zero fiscal note for HB 174
- Correspondance to and from Kathleen Smoyer who, in 1983, was denied a student loan because her credits were split between UAF and TVCC
- 1983 letters of support for HB 174 from:
 - Rodney Enos, President of TVCC
 - Richard S. Lee, Dean of Juneau-Douglas Community College
 - Dianne Schmitt, Financial Aid Officer at Univeristy of Alaska, Juneau Anchorage Community College
 - Alaska Statewide Student Association
- 1983 letters expressing concern about the administrative difficulties which might be created by HB 174 from:
 - Carol M. Thompson, University of Alaska, Fairbanks Financial Aid Advisor
 - Carol Thompson and Ida Greiner
- Student Loan information sheet from University of Alaska, Fairbanks explaining that courses from other institutions can not be counted toward full-time student status at UAF

Register , 1984

MISCELLANEOUS
BOARDS AND COMMISSIONS

20 AAC 15.040
20 AAC 15.060

20 AAC 15.040 is amended by adding new subsections to read:

(m) A borrower in a flight school program must hold, as a prerequisite for eligibility, a valid private pilot's certificate.

~~***~~ → (n) A borrower may be enrolled in more than one institution, but must be enrolled for at least 75% of the full-time student requirement in the degree-granting institution for which the loan is obtained. The combined total of these multiple enrollments must be equivalent to at least full-time enrollment. (Eff. 2/3/77, Register 61; am 5/10/78, Register 66; am 12/7/80, Register 76; am 7/9/82, Register 83; am 11/19/83, Register 88; am / / , Register).

Authority: AS 14.43.105
AS 14.43.120
AS 14.43.140

20 AAC 15.045 (c) i added to read:

(c) Before delivering the warrant to the borrower, the financial aid officer shall certify, on a form to be provided by the commission, that the borrower is a full-time student in good standing at the institution. If the full-time status is the result of attendance at more than one institution, the certifying institution must certify full-time and good standing status for the multiple enrollments. (Eff. 2/3/77, Register 61; am 12/7/80, Register 76; am 7/9/82, Register 83; am 11/19/83, Register 88; am / / , Register).

Authority: AS 14.43.105

(a), (b), (c) and (g)
20 AAC 15.060 is amended to read:

20 AAC 15.060. STATE FORGIVENESS PAYMENTS. (a) Under AS 14.43.120(j), a recipient of a loan is eligible to have up to 50 percent of the total loan and accrued interest paid by the state if the borrower continues Alaskan residency after the successful completion of the course of study for which the loan was granted, and is awarded an appropriate degree, diploma or certificate, and remains, except for brief periods, in the state during the period for which forgiveness is claimed.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 17
 Title: Re: Scholarship loans to students
 Sponsor: Kerttula
 Requestor: Senate Hess
 Date of Request: 1/16/85

FISCAL DETAIL

Agency Affected: Education
 Program Category Affected: Postsecondary Commission
 BRU, Program or Subprogram(s) Affected: Student Loan Program

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
500 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	N.A.	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
GENERAL FUND	N.A.	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	N.A.	-0-	-0-	-0-	-0-	-0-

POSITIONS:

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
FULL-TIME	N.A.	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

No fiscal impact is associated with this bill

Prepared By: Kerry D. Rome Phone: 465-2854
 Division: Alaska Commission on Postsecondary Education Date: _____

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

7/1/84

from Kerttula's office

Anclia
SB 17

My Draft

In defining 'fulltime student' for the purposes of student loan eligibility, present statute necessitates that if the required minimum number of credits earned in one semester come from more than one institution, the schools must have a "consortium" agreement. The original intention of this stipulation was to protect the integrity of degree programs.

According to Kerry Romesberg, the consortium requirement has allowed some institutions to deny credit and credit transfers to students, inspite of their legitimacy toward a degree program, and by doing so discourage the use of their institution for those not earning a degree with the school.

The Postsecondary Commission recently adopted the federal "75%" standard, [20 AAC 15.040], which requires that "before a borrower may be enrolled in more than one institution, [he/she] must be enrolled for at least 75% of the full-time student requirement in the degree-granting institution for which the loan is obtained." A minimum of 12 credits per semester must be earned, 75% of which must come from the primary institution. As point of clarification, student loan warrants are made payable to the institution, in the student's name.

With the regulation in effect, the student is guaranteed access to acquiring credits in other institutions without the threat of losing loan eligibility status. Benefits to the institution are in knowing that the integrity of their degree program is protected and in being assured of who is responsible for maintaining the student's academic records.

Since students will know beforehand whether or not credits earned elsewhere will be accepted as part of their degree program, the "consortium" requirement is moot.

Similar legislation was introduced last year, passed the Senate and was incorporated in the House version. It died at the end of session.

The Postsecondary Commission on Education; the University of Alaska; Anchorage, Fairbanks and Juneau; and, the Community Colleges support the legislation.



Alaska State Legislature

Representative Mike Davis

Pouch V
Juneau, Alaska 99811
(907) 465-4930/4941

Interim Office:
P.O. Box 81435
Fairbanks, Alaska 99708

House Bill 96

February 4, 1985

A student must be enrolled full-time in order to be eligible for a student loan. A student may attend more than one institution and aggregate the credit hours in order to attain full-time status, but under existing law this aggregation of credits can occur only if there is a consortium agreement between the institutions. House Bill 96 would remove this consortium requirement.

The need for such legislation came to my attention two years ago, when I received a letter from a woman who was taking an aggregate of 14 credits at the University of Alaska and Tanana Valley Community College. Although the woman was an Alaskan resident and in good academic standing, she was unable to qualify for a student loan because a consortium agreement did not exist between the two institutions at that time.

Although consortium agreements do presently exist between neighboring universities and colleges throughout Alaska, the passage of HB 96 would preclude students from not being able to aggregate credits in the event that a consortium agreement is rescinded, or a new institution is created which does not wish to sign such an agreement.

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

POSITION STATEMENT ON SB 17

Summary: To qualify for a student loan, a student must enroll full time, that is at least 12 credit hours each term for undergraduate students, and at least nine credit hours each term for graduate students. If a student wishes to enroll in more than one institution and aggregate the credit hours to be full time, the current statute requires that there be a consortium agreement between the institutions.

SB 17 removes the requirement for a formal consortium agreement.

Impact: The result would be negligible. The bill was introduced a year ago in response to problems student loan applicants were incurring when they tried to enroll in both the University of Alaska, Anchorage and Matanuska-Susitna Community College. Since there was no formal consortial agreement, UAA officials would not release loans for these students.

As of January 11, 1985, Matanuska-Susitna Community College and UAA have a consortium agreement. Hence, the problem at which this bill was directed, has been solved.

The bill will not result in students enrolling in a wide variety of institutions and, in effect, getting around program good-standing requirements, because program regulations already exist to address such a situation. (20 AAC 15.040(n) and 20 AAC 15.045(c)). Therefore, the bill successfully removes some unnecessary language in the current statutes and has little program effect.

There is no fiscal impact of the bill.

Position: The Alaska Commission on Postsecondary Education endorses the passage of SB 17.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 96
 Title: Loans for Students Attending More Than One School
 Sponsor: Davis, et al.
 Requestor: House Loan Committee
 Date of Request: 2/1/85

FISCAL DETAIL

Agency Affected: Education
 Program Category Affected: Postsecondary Education Commission
 BRU, Program or Subprogram(s) Affected: Student Loan Program

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	N.A.	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	N.A.	-0-	-0-	-0-	-0-	-0-
FEDERAL FUND						
OTHER						
TOTAL						

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

There is no fiscal impact of this bill.

Prepared By: Kerry D. Randsburg Phone: 465-2854
 Division: Alaska Commission on Postsecondary Education Date: 2/1/85
 Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

7/1/84

1 IN THE SENATE

BY KERTTULA

2 SENATE BILL NO. 17

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL.

6 For an Act entitled: "An Act relating to the applicability of the scholar-
7 ship loan program to students attending more than one
8 postsecondary educational institution; and providing
9 for an effective date."

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

11 * Section 1. AS 14.43.160(2) is amended to read:

12 (2) "full-time student" means an undergraduate or career
13 education student who is enrolled and is in regular attendance at
14 classes for at least 12 semester hours of credit or the equivalent
15 during the semester or a graduate student who is enrolled and is in
16 regular attendance at classes for at least nine semester hours of
17 credit or the equivalent; any combination of semester hours of credit,
18 or the equivalent, aggregating to the requisite number of semester
19 hours and undertaken during a semester at two or more public or pri-
20 vate institutions of higher education [OPERATING UNDER A CONSORTIUM]
21 constitutes full-time student status;

22 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
23 10.070(c).

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§ 14.43.135

EDUCATION

§ 14.43.160

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

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

"(3) the amount of the average loan to undergraduate students attending colleges and universities in Alaska is lower

than the average of similar loans in all but one of the 10 western states and the amount of the average loan for graduate students is the lowest in the West;

"(4) the funds spent on education in Alaskan colleges and universities go further than when the funds are spent out of state; and

"(5) it would be an aid to the Alaskan economy if the funds in the student loan program were spent for education in Alaskan colleges and universities."

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

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

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01.05.031(c) and § 4, ch. 58, SLA 1992.

Sec. 14.43.160. Definitions. In AS 14.43.090 — 14.43.160.

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

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

Sec. 14.42.045. Compensation and per diem. Members of the commission serve without compensation but are entitled to per diem and travel expenses as may be authorized by law for boards and commissions. (§ 4 ch 78 SLA 1974; AS 14.40.915)

Sec. 14.42.050. Legal counsel. (a) The attorney general is legal counsel for the commission. The attorney general shall advise the commission in legal matters arising in the discharge of its duties and represent the commission in actions to which it is a party. If in the opinion of the commission, the public interest is not adequately represented by counsel in a proceeding, the attorney general, upon request of the commission, shall represent the public interest.

(b) The commission may employ temporary legal counsel from time to time in matters in which the commission is involved. (§ 3 ch 25 SLA 1976; AS 14.40.917)

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

Sec. 14.42.055. Consortia. All parties that are signatory to a consortium agreement between the University of Alaska and a private university or college must abide by a decision rendered by the commission when disagreements arise or exist between the parties. For purposes of this section and AS 14.42.030(b)(6), "consortium" means a cooperative arrangement between two or more public or private institutions of higher education specified in agreements or memoranda of understanding to permit sharing of facilities, instructional opportunities, and other educational services in such a way that the integrity of each institution party to the consortium is preserved while at the same time the institutions cooperatively plan the academic calendar, scheduling, use of personnel and facilities, and educational programs and offerings to the maximum advantage of the students and faculties of the institutions that are parties to a consortium. (§ 8 ch 246 SLA 1976; AS 14.40.919)

Revisor's notes. — AS 14.42.030(b)(6) was substituted for AS 14.40.909(b)(6) to conform to the renumbering of that section by the revisor of statutes under AS 01.05.031.

Chapter 43. Scholarship, Loan, and Grant Programs for Postsecondary Students.

Article

1. University of Alaska Scholarships for High School Graduates (§§ 14.43.010 — 14.43.030)
2. University of Alaska Scholarships for Natives (§§ 14.43.050 — 14.43.075)
3. Free Tuition and Fees for Dependents (§ 14.43.080)
4. Scholarship Loan Program (§§ 14.43.090 — 14.43.160)

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

HOUSE BILL 174

The purpose of House Bill 174 is to allow students to combine credits from the postsecondary schools which they are concurrently attending in order to be eligible for student loans.

This bill primarily addresses a problem in Fairbanks, in which students attending either the University of Alaska or Tanana Valley Community College cannot combine their total number of credits in order to reach the number of credits necessary to achieve full-time student status.

The greater purpose of this bill is to allow students more flexibility in determining which courses they will take while attending college. This legislation in effect acknowledges the close interrelationship between community colleges and universities, and the healthy diversity of programs and courses in both of these institutions. In all cases, a student must be enrolled full-time in a degree program from an accredited school in order to be eligible for a student loan.

The provisions of HB 174 are already partially in effect in both Anchorage and Juneau. In Anchorage, a consortium agreement exists between the University of Alaska and Anchorage Community College in which an undergraduate student taking a total of 12 credits between both schools is eligible for a student loan. In Juneau, the relationship between the University of Alaska and Juneau-Douglas Community College is such that there is again no difficulty in a student being able to receive a loan while taking a combined full-time credit load.

No opposition to this dual enrollment was voiced by the administration at UAA, ACC, UAF, or JDCC. Indeed, the feelings from these schools are extremely positive toward such a program. Verification of student grades is facilitated in these university-community college arrangements in that each school is able to directly access the student records of the companion school.

Dean Roger Worsley of ACC suggested that a student take 75 percent of the course load, or nine credits, from the parent institution in order to clarify which school is ultimately responsible for maintaining a student's complete academic records and for issuing student loan checks. According to Dr. Kerry Romesberg, a regulation within the Postsecondary Commission is expected to be enacted soon which will stipulate that this condition be followed. This regulation will also limit the amount of paperwork that financial aid officers will have to deal with for dual enrollment students.

A question has been posed several times as to whether or not credits from correspondence courses could be applied toward student loan eligibility under provisions of this bill. Under present regulations, students are allowed to apply these courses toward loan eligibility requirements at the discretion of the parent institution. These courses must be approved by the parent institution, and they must be administered by an accredited school.

The language of this bill differs slightly from the wording in Senate Bill 197 in that HB 174 refers to applying only credits, not credits or hours, toward student loan eligibility requirements. By accepting only credits, financial aid officers would not be subject to the time-consuming procedure of converting hours to credits.

The purpose of this bill, again, is simply to allow those students who are in financial need the opportunity to take full advantage of the academic programs offered at the schools in their area.

Introduced: 2/8/83
Referred: Health, Education &
Social Services, House Special
Committee on State Loans and
Finance

1 IN THE HOUSE

BY DAVIS, DUNCAN, KOPONEN,
MALONE, SZYMANSKI AND ZHEROFF

2

HOUSE BILL NO. 174

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to student loan eligibility."

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

8 * Section 1. AS 14.43.120(c) is amended to read:

9 (c) To maintain a loan the student must continue to be enrolled
10 as a full-time student in good standing or as a part-time student in
11 good standing in more than one institution for a total number of
12 credits equivalent to a full-time student in a career education pro-
13 gram, college or university designated under (b) of this section. The
14 commission shall adopt regulations defining "good standing" for pur-
15 poses of this subsection.

STATE OF ALASKA
FISCAL NOTE

Revision Date 5-5, 1983

I. REQUEST

Bill/Resolution No.: HB174
 Title: Act: Student Loan Eligibility
 Sponsor: Davis, et al
 Requestor: House HESS

II. FISCAL DETAIL

Agency Affected: Education
 Program Category Affected: Postsecondary Com
 BRU, Program of Subprogram(s) Affected:
Student Loan Admin. Student Loan Program

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	N.A.	-0-	-0-	-0-	-0-	-0-
CAPITAL	N.A.	-0-	-0-	-0-	-0-	-0-
REVENUE						

FUNDING: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
GENERAL FUND	N.A.	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
FULL-TIME						
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. Jamesburg Phone: 465-2854
 Division: Alaska Commission on Postsecondary Education Date: 5-5-83
 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

May 5, 1983

Analysis (HB174):

Allowing multiple enrollments should enable additional people to apply, but we have no way of determining what that number would be. We also have indication that some schools will require such cross-documentation that those students will face weeks and months of delays in receiving funds. Therefore, we have left the fiscal impact at zero.



Official Business

Alaska State Legislature

House of Representatives

Rep. Mike Davis

Pouch V
State Capitol
Juneau, Alaska 99811

January 31, 1983

Kathleen Smoyer
PO Box 2652
Fairbanks, AK 99707

Dear Ms. Smoyer,

Thank you for your recent letter.

I spoke with people at the Commission on Postsecondary Education regarding your application for a student loan, and I also referred to the Alaska statutes specifying those conditions which must be met for a loan. Unfortunately, as the law is presently written, a person must earn 12 credits at a single institution in order to be eligible for a student loan the following semester.

This situation needs to be remedied for cases such as yours, in which you received a total of 14 credits from the University of Alaska, Fairbanks and the Tanana Valley Community College during the Fall, 1982 semester. The university and the community college in Fairbanks not only complement each other in providing education services for the community but, as you note, both institutions are so closely tied that its only necessary to write one check in order to pay tuition for both schools.

I am supportive of allowing a person to be eligible for a student loan by taking a combination of 12 credits at two postsecondary schools. I am presently working with people at Legislative Legal Services in studying possible revisions which might be made to the existing laws.

Sincerely,

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

Rep. Mike Davis

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

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 earn 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 bureaucratic 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 transferred 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...

KATHLEEN M. SMOYER (574-34-9200)



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,

Rodney Enos
Campus President

RE/dac



University of Alaska, Juneau

11120 Glacier Highway

Juneau, Alaska

99801

(907) 789-2101

April 19, 1983

Rep. Mike Davis
Pouch V
Juneau, AK 99811

Dear Representative Davis:

Thanks for sending me a copy of House Bill No. 174 (An Act relating to student loan eligibility). I feel that this is a constructive amendment which will allow greater flexibility for students in designating programs that will meet their educational goals.

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard S. Lee', with a long horizontal flourish extending to the right.

Richard S. Lee, Dean
Juneau Douglas Community College

RSL:cs



University of Alaska, Juneau

1120 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.



Anchorage Community College *A Unit of the University of Alaska System*

April 13, 1983

Representative Mike Davis
Pouch V
Juneau, Alaska 99811

Dear Representative Davis:

I am writing at the request of Kerry Howard to indicate my support of HB174 in concept. I believe that students should be allowed to count credits from more than one institution toward fulfilling the requirement for eligibility for the state student loan program.

However, I believe that there should be in place a consortium agreement between the two institutions as is now in existence between ACC/UAA. This agreement should require that 75 percent of the credits required for qualification should be taken at the parent institution. The parent institution is the institution which is disbursing the aid.

In the past, we have had problems in federal programs with students receiving aid from more than one institution. This is not the problem with the state loan, as there is only one check in this case. However, there is a lot of paperwork and staff time required in handling the state loan program. If a student were required to take 75 percent or nine credits from the parent institution, there would be an inherent commitment on the part of that student to attend that particular institution.

Another reason for this requirement is the necessity to certify academic eligibility between semesters. If a student is taking credits from more than one institution, a parent institution is required to obtain grade reports from all other institutions prior to certifying eligibility. This is simpler if consortium agreements are in effect. The time between semesters is short and the grade reporting process is lengthy. Reciprocal agreements between institutions for the release of grades is a complicated process covered by the privacy acts.

In summary, consortium agreements between cooperating institutions, with a parent institution requirement of 75 percent of the credits required for eligibility, would be a good addition to your bill in my view. Another desired addition would be for the parent institution to receive some support costs for facilitating the state loan program. Federal aid programs provide a percentage of dollars distributed to be used to administer their funds. The Alaska State Loan Program requires a lot of work on the part of our staff, but no funds are appropriated for this purpose. Our success in acquiring additional staff



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.



UNIVERSITY OF ALASKA, FAIRBANKS
Fairbanks, Alaska 99701

March 9, 1983

Representative Mike Davis
Alaska State Office Building
Pouch V
Juneau, AK 99811

Dear Representative Davis:

This letter is in response to your request that I provide information regarding any administrative problems that colleges and universities might encounter should House Bill 174 be enacted.

As you probably know, the loan regulations already permit schools to combine credits provided a consortium or formal transfer agreement exists between the schools involved. This permits schools to voluntarily combine credits for loan recipients. However, it is my impression that HB 174 would require that schools accept concurrent enrollment from other schools in addition to their own for the purposes of establishing academic eligibility for the Alaska Student Loan.

Our primary concern at UAF is that the collection of the information needed to certify good academic standing and satisfactory progress would be so cumbersome and time consuming that our students would experience a considerable delay in actually receiving their state loan checks. I am attaching a sample copy of the "Record of Disbursement and Receipt" form which accompanies each state loan check and which the school's Financial Aid Officer must sign before disbursing the check to the student. Please note that the school must certify that the student is/was enrolled in a degree or diploma or certificate program as a full time student and is maintaining satisfactory progress as determined by school policy. HB 174 would put schools in the position of making this certification only after a lengthy and cumbersome administrative process of 1.) collecting certification of enrollment and fee statements from each school the student is attending, 2.) collecting official transcripts at the end of each term from each school the student is attending, 3.) official evaluation of transfer credits at the end of each term by the home institution's registrar, and 4.) a combining of credits earned elsewhere with a revision of the semester and cumulative g.p.a. Even large schools with sophisticated computer capability would have to do most of this work by hand and on a student by student basis. We expect that the enactment of this bill would cause a delay in delivering ASL checks to all students of at least three to four weeks after registration. In addition, all of the certification activity would take place at the time of registration when we are most heavily involved with getting students registered for classes and assisting students with various financial aid problems.

I would also like to mention that under HB 174, our students would not be limited to a TVCC/UAF dual enrollment. We would also be required to include UA correspondence work and any other accredited school's correspondence study. There is even the possibility that an out-of-state school would offer a special extension course in Fairbanks. Chapman College did just that a few years ago when it offered MBA coursework in the Fairbanks area.

UNIVERSITY OF ALASKA

Page 2 - UAF Financial Aid

A student attending school out of state in a large metropolitan area could easily enroll in a three credit course at each of four schools. It would be very time consuming to combine those credits at one school if all of the schools had a different starting and ending date. There is also the very real possibility that there could be a combination of quarter and semester credits to evaluate. There are some schools outside that have discussed the possibility of withdrawing themselves from eligibility for the Alaska Student Loan because the regulations are so different then accepted financial aid standards for the aid their school offers. I believe there is a real risk that other schools may simply choose to not accept another state's imposition of academic regulation on their institution and opt out of participation in the Alaska Student Loan program. It is extremely difficult to serve student's needs in a timely manner when faced with a variety of conflicting financial aid standards.

Finally, I would like to confirm that UAF Financial Aid applicants for the current academic year were advised well ahead of time that they would be required to carry a minimum of 12 UAF credits per semester (undergraduates) in order to be eligible for the loan at this school. We accomplished this by publishing news releases in the student newspaper, and by attaching an instruction sheet to each Alaska Student Loan application form that was given out from this office. Because ASL regulations require a minimum of 12 credits to maintain eligibility, we suggest to students that they carry those 12 credits with UAF, then take any desired coursework from other schools in addition to that minimum course load. This gives them the flexibility of exploring other schools and subjects while maintaining their eligibility for the loan at UAF.

I hope this information is useful to you. Please call us if you have further questions. Our office phone number is 474-7256. We appreciate this opportunity to express our views and we look forward to working with you.

Sincerely,



Carol M. Thomson
Financial Aid Advisor

/ct
enclosure

cc: Members of the Fairbanks Legislative Delegation

From Carol Thompson and Ida Griener, UAF

Re: House Bill 56

I think this bill would penalize the in-state student who is seeking a college education at the lowest possible cost. If enacted, this bill could encourage students to attend more expensive schools out-of-state. With no ceiling on the loan maximum, the student could conceivably request 12-15,000 dollars for a single academic year. (For example, the tuition plus room and board at Harvard is some 12-14,000 per academic year while similar costs at UAF are only 3200.)

I also note that there is no provision for an allowance for books and supplies as has been allowed before. I do agree that the loan amount should be no greater than the combined costs of tuition and required fees, room and board and books, but I believe that books are an important and necessary cost of education.

Because of declining revenues, I realize that the state must do something to change the scale of the student loan program. My suggestions would be to reduce the maximum of the loan from 6,000 to perhaps, 4500, for undergraduates,* and reduce the maximum for graduates from 7000 to perhaps, 5000; reduce or totally eliminate the generous forgiveness provisions; and to increase the interest rate. (I'm not sure that a student seeking an education has a right to a more attractive rate of interest than, say, a couple seeking to buy their first home or a young businessperson trying to get started in a business.)

*Note: Current GSL maximums are 2500 for undergrads and 5000 for graduates.

Re: House Bill 174

Legislation currently in effect already allows the student to combine credits at more than one school provided a consortium agreement or transfer agreement exists between the schools involved. To mandate that a school be forced to combine credits, collect academic transcripts from all other schools, and to recalculate separate g.p.a.'s into a composite g.p.a would be an administrative nightmare. I doubt that schools outside of Alaska would be willing to participate in the Alaska Student Loan program under such conditions. A student attending college in a Metropolitan area--Seattle, perhaps--could conceivably take four 3-credit classes at four different colleges in the area for a combined total of 12 credits. What school would be willing to call itself the student's home institution and say that the student was in good academic standing and making satisfactory progress toward a degree goal at that institution? From an administrative point of view, this bill, if enacted, would be possible only if an agency of the State of Alaska would serve as a central collection point for enrollment forms and for transcripts in order to determine a student's eligibility before releasing the loan check. If saving money is the object, this bill would certainly not meet that criteria.

Re: Senate Bill no. 118

This bill has two major considerations for schools and/or the State Loan Office. 1.) It's difficult to imagine how this would be handled administratively; it seems to be completely unmanageable, and 2.) Could requiring students to be Alaskan High School graduates in order to be eligible be constitutional? It distresses me to see the state provide more fodder for the likes of the Zobel's. It seems to me that this bill is saying that Alaskan High School graduates have more commitment to the State than those persons who grew up elsewhere but moved to Alaska because of choice.



FINANCIAL AID OFFICE

UNIVERSITY OF ALASKA, FAIRBANKS
Fairbanks, Alaska 99701

1982-83 ALASKA STUDENT LOAN INFORMATION

As a result of recent action by the Alaska Commission on Postsecondary Education, schools are no longer required to complete Part B of the Alaska Student Loan Application.

You may submit your application (two white copies) directly to the State Loan Office, retaining the yellow student copy, the cover sheets and this letter.

BE SURE THAT YOUR APPLICATION IS COMPLETELY FILLED OUT -- over 50% of the Alaska Student Loan applications are returned to the student because of omissions. When your application is received in Juneau, you will receive a blue post card with the date received indicated. This does not mean your application is complete; only that it has been received. You will next receive a promissory note in triplicate. Sign and date the note, list the dates of disbursement (8-20-82 for Fall 1982 semester and 1-1-83 for Spring 1983 semester), keep the marigold copy, and return the white and pink copies to Juneau.

Normally, the Financial Aid Office receives Alaska Student Loan checks in time to release funds at Registration. Before releasing checks, we must determine academic eligibility for each recipient. If you are currently enrolled at the University of Alaska-Fairbanks, you must be in good standing (2.0 semester and cumulative grade point average for undergraduates and 3.0 semester and cumulative grade point average for graduate students) to be eligible for your Fall 1982 check. Entering and transfer students must be admitted IN GOOD STANDING to a program leading toward a degree or certificate. Recipients must be full-time (12 credits for undergraduate, 9 credits for graduate students) and must complete 12 and 9 respectively each semester they receive a loan to be eligible for the following term.

Courses in the following areas cannot be counted toward the full-time financial aid requirement: Tanana Valley Community College, correspondence, extension, or television.

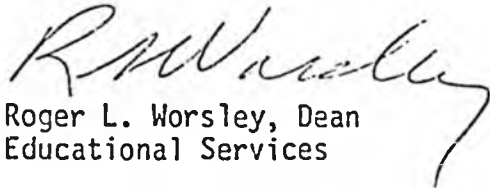
The eligibility requirements listed above reflect current Alaska State laws and regulations. NO EXCEPTIONS CAN BE MADE BY THE UNIVERSITY OF ALASKA-FAIRBANKS FINANCIAL AID OFFICE.

Any questions regarding the status of your application should be directed to the Alaska Student Loan Office in Juneau, since the Financial Aid Office acts only as a disbursing and certifying agency.

REPRESENTATIVE MIKE DAVIS
4/13/83 PAGE 2

through the University budget process has not been good. A five or ten percent overhead distribution to institutions handling a large volume of state loan checks would certainly be beneficial.

Sincerely,



Roger L. Worsley, Dean
Educational Services

263-1200

RLW:cb

cc: Dr. Ed Biggerstaff, Chancellor
Clay Walker, ACCSA

State of Alaska

COMMITTEES

HOUSE HEALTH, EDUCATION
AND SOCIAL SERVICES
(Co-Chairman)
HOUSE JUDICIARY
HOUSE COMMUNITY AND
REGIONAL AFFAIRS



POUCH V
JUNEAU, ALASKA 99811
(907) 465-4968

914 CLAY COURT
ANCHORAGE, ALASKA 99503
(907) 276-6844

Representative Max F. Gruenberg, Jr.
District 11
Spenard, Upper Midtown Anchorage

February 18, 1985

Mr. Forrest Hayes
4711 Pavlof Street
Anchorage, AK 99507

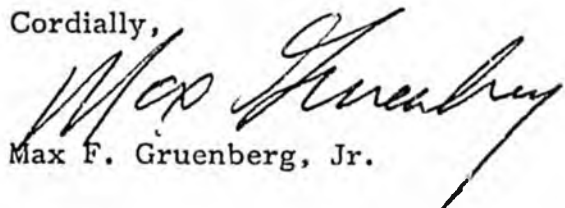
Dear Mr. Hayes:

Thank you very much for your note appended to my February 4 letter.

I apologize for not explaining our legislative custom in the printing of a bill. Language which is in parentheses and capitalized is omitted if the bill is passed. In other words, the very purpose of House Bill 96 is to eliminate the language "operating under a consortium".

The purpose of the bill is to do exactly as you suggest, and eliminate this language. I hope this answers your question. Please be advised that we are having a hearing on this legislation in the House HESS Committee today, February 18, 1985. I am taking the liberty of enclosing our correspondence (your public opinion message and my response and your note) in the official committee file. Your support will be most helpful in passing this bill, which has already passed the House Loans Committee.

Cordially,


Max F. Gruenberg, Jr.

State of Alaska

COMMITTEES

HOUSE HEALTH, EDUCATION
AND SOCIAL SERVICES
(Co-Chairman)
HOUSE JUDICIARY
HOUSE COMMUNITY AND
REGIONAL AFFAIRS



POUCH V
JUNEAU, ALASKA 99811
(907) 465-4968

914 CLAY COURT
ANCHORAGE, ALASKA 99503
(907) 276-6844

Representative Max F. Gruenberg, Jr.
District 11
Spennard, Upper Midtown Anchorage

February 4, 1985

FEB 14 '85

Forrest Hayes
4711 Pavlof Street
Anchorage, AK 99507

Dear Mr. Hayes:

Thank you very much for your public opinion message regarding Senate Bill 17.

I believe what you say is absolutely correct, and I have therefore co-sponsored House Bill 96 by Representative Mike Davis, which deals with the same subject. Enclosed is a copy for your information.

Please let me know if you have any additional suggestions or questions.

Cordially,

A handwritten signature in cursive script that reads "Max Gruenberg".

Representative Max F. Gruenberg, Jr.

MFG/ke

cc: Rep. Mike Davis
Encls.

Dear Mr. Gruenberg:
Thank you for your letter and interest. I would like to ask why the [Operating Under A Consortium] was placed in the House Bill No 96? Do you not realize that UAA does not want to initiate Consortium agreements with other schools? Your bill would be ok if you omit that [Operating ----]. Otherwise, the students are at the mercy of the powers to be in each institution. Please consider eliminating the [Operating Under A Consortium].

Thank you.
Forrest Hayes

*
* DELIVER TO: JPOM *
* *
* ORIGINAL *
* SENT: 01/31/85 TIME: 12:34 *
* FROM: FLORENCE CARNAHAN *
* SUBJECT: POM *
* PRINT DATE: 01/31/85 TIME: 12:34 *
* *

TO: SENATORS ABOOD, FAIKS, V. FISCHER, HALFORD, JOSEPHSON, KELLY,
RODEY AND STURGULEWSKI

REPRESENTATIVES BOUCHER, CLOCKSIN, COLLINS, COTTEN, FURNACE,
GRUENBERG, HANLEY, JENKINS, MARTIN, PEARCE, PETTYJOHN, PHILLIPS,
PIGNALBERI, POURCHOT, RIEGER, SZYMANSKI AND UEHLING

FROM: FORREST HAYES 4711 PAVLOF ST., ANCHORAGE, AK 99507
563-7691

RE: SB 17

I WOULD LIKE TO URGE YOU TO PLEASE SUPPORT SB 17 ON BEHALF OF ALL
THE COLLEGE STUDENT RESIDENTS FROM ALASKA.