

SCOMM

#50:24

Introduced: 2/13/85
Referred: House Special Committee
on State Loans, Health, Education &
Social Services and Finance

BY SUND, GRUSSENDORF
KOPONEN AND TAYLOR

1 IN THE HOUSE

2 HOUSE BILL NO. 197

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 maximum loan amounts under the
7 scholarship loan program; and providing for an effective date."
8

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

10 * Section 1. AS 14.43.110 is amended to read:

11 Sec. 14.43.110. UNDERGRADUATE LOANS. The committee may make a
12 loan, not to exceed \$6,000 in any one school year, to an undergraduate
13 student eligible under AS 14.43.125. The committee may make a loan
14 for a summer term, even if the total loan for the school year exceeds
15 the \$6,000 maximum, if the loan for the summer term is counted against
16 the \$6,000 maximum for the following school year.

17 * Sec. 2. AS 14.43.115 is amended to read:

18 Sec. 14.43.115. GRADUATE LOANS. The committee may make a loan,
19 not to exceed \$7,000 in any one school year, to a graduate student who
20 is eligible under AS 14.43.125 and is pursuing an advanced degree.
21 The committee may make a loan for a summer term, even if the total
22 loan for the school year exceeds the \$7,000 maximum, if the loan for
23 the summer term is counted against the \$7,000 maximum for the follow-
24 ing school year.

25 * Sec. 3. AS 14.43.160 is amended by adding a new paragraph to read:

26 (9) "summer term" means the period from June 1 - August 31.

27 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
28 10.070(c).

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 197
Title: RE: Maximum Student Loans

Sponsor: Sund, et al.
Requestor: Sund
Date of Request: 2/19/85

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 FUNDS						
OTHER						
TOTAL						

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

Prepared By: Kerry D. Rasmussen Executive Director Phone: 465-2854
Division: Alaska Commission on Postsecondary Date: 2/19/85
Education
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

2/15/85

MEMORANDUM

TO:
FROM: Representative John Sund
RE: HB 197

Sectional analysis of proposed Student Loans legislation:

The purpose of this bill is to give undergraduate and graduate students the opportunity to apply loan money, promised to them for the upcoming school year, toward their summer quarter tuition.

The present Alaska Statutes will not allow students to attend more than three quarters or two semesters at full loan funding. (\$2,000 quarter/\$3,000 semester) As a result, students who require more than four years to graduate must travel home for the summer and re-register in the fall for their remaining units. For a student going out of state and living off campus, the cost of travel and the trouble of relocating an apartment can be overwhelming.

This bill amends AS 14.43.110 - the statute setting loan terms in the Dept. of Education.

Section 1

This section provides that the committee may make a loan to a student for a summer term even if the total loan for the school year exceeds the \$6,000 maximum. The loan for the summer term will be counted against the \$6,000 maximum for the following school year.

To do this a student would present his loan promissory note to the school financial aid office and they would allow him to register for the summer and pay tuition with his first loan disbursement in September.

Section 2

This section provides that the committee may make a loan to a graduate student for a summer term, even if the loan for the school year exceeds the \$7,000 maximum, if the loan for the summer term is counted against the \$7,000 maximum for the following school year.

Section 3

This section amends AS 14.43.160 by adding a new paragraph that defines "summer term". The period from June 1, to August 31 is used, as it includes the dates that a school would provide for a summer term.

This bill would directly save undergraduate and graduate students time and money while creating no new cost for the state.