

LEG. FINANCE - BILLS 1985 - 1986 2362

HB 185 - HB 190

2362

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 3/5/85

REQUEST

Bill/Resolution No.: CS HB 185 (LOAN)
 Title: Conditions of Student Loans
 Sponsor: Koponen, Goll, Sund, Et Al.
 Requestor: House Loan Comm.
 Date of Request: 3/4/85

FISCAL DETAIL

Agency Affected: Education
 Program Category Affected: Postsecondary Education
 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)

	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						

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

Prepared By: Kerry D. Romesha, Executive Director 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

Offered: 3/4/85
Referred: Health, Education &
Social Services and Finance

Original sponsors: Koponen, Goll,
Sund, et al

1 IN THE HOUSE BY THE HOUSE SPECIAL COMMITTEE
ON STATE LOANS

2 CS FOR HOUSE BILL NO. 185 (Loans)

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 maximum loan amounts, eli-
7 gibility requirements, and conditions of scholarship
8 loans; and providing for an effective date."

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 14.43.120(k) is amended to read:

26 (k) Periodic installments of principal shall be deferred, but
27 interest shall accrue and be paid unless the student is eligible for
28 interest payment benefits under (1) of this section during any of the
29 following:

1 (1) return to student status as provided in (c) of this
2 section;

3 (2) serving an initial period of up to six years on active
4 duty as a member of the armed forces of the United States;

5 (3) serving, for up to three years, as a full-time volun-
6 teer under the Peace Corps Act;

7 (4) serving, for up to three years, as a full-time volun-
8 teer under the Domestic Volunteer Service Act of 1973;

9 (5) for a one-time period up to 12 months in which the
10 borrower is seeking and unable to find employment in the United
11 States; or

12 (6) if the borrower becomes 50 percent or more disabled as
13 certified by competent medical authority.

14 * Sec. 4. AS 14.43.125 is repealed and reenacted to read:

15 Sec. 14.43.125. ELIGIBILITY OF STUDENTS. (a) A person may
16 apply for and obtain a scholarship loan if the person

17 (1) is

18 (A) enrolled as a full-time student in a career educa-
19 tion, associate, baccalaureate, or graduate degree program; or

20 (B) a graduate of a high school or the equivalent, or
21 scheduled for graduation from a high school within six months,
22 with sufficient credits to be admitted to a career education
23 program or to an accredited college or university;

24 (2) is not delinquent or in default on a previously awarded
25 scholarship loan; and

26 (3) is a resident of the state at the time of application
27 for the loan; for purposes of this section, a person qualifies as a
28 resident of the state if at the time of application for the loan the
29 person

1 (A) has been physically present in the state for at
2 least two years immediately before the time of application for
3 the loan;

4 (B) is dependent on a parent or guardian for care, the
5 parent or guardian has been present in the state for at least two
6 years immediately before the time of application for the loan and
7 the person has been present in the state for at least one year of
8 the immediately preceding five years except that the commission
9 may by a two-thirds vote, acting upon a written appeal by the
10 person, grant an exemption to the requirement that the person has
11 been present in the state for one year of the immediately preced-
12 ing five years;

13 (C) has been physically present in the state, or is a
14 dependent of a parent or guardian who has been physically present
15 in the state, for at least two years immediately before the
16 applicant was absent from the state and the absence is due solely
17 to

18 (i) serving an initial period of up to six years
19 on active duty as a member of the armed forces of the United
20 States;

21 (ii) serving, for up to three years, as a full-
22 time volunteer under the Peace Corps Act;

23 (iii) serving, for up to three years, as a full-
24 time volunteer under the Domestic Volunteer Service Act of
25 1973;

26 (iv) required medical care for the applicant or
27 the applicant's immediate family;

28 (v) being a person who otherwise qualifies as a
29 resident and is accompanying a spouse who qualifies as a

1 resident under (i) - (iv) of this paragraph; or
2 (D) has been physically present in the state, or is a
3 dependent of a parent or guardian who has been physically present
4 in the state, for at least two years immediately before the
5 applicant or the parent or guardian was absent from the state and
6 the absence is due solely to

7 (i) participating in a foreign exchange student
8 program recognized by the commission;

9 (ii) attending a school as a full-time student;

10 (iii) full-time employment by the state;

11 (iv) being a member of or employed full-time by
12 the state's congressional delegation;

13 (v) being a person who otherwise qualifies as a
14 resident and is accompanying a spouse who qualifies as a
15 resident under (i) - (iv) of this paragraph.

16 (b) A person does not qualify as a resident of the state under this
17 section if the person declares or establishes residence in another state
18 during an absence from Alaska.

19 * Sec. 5. AS 14.43.160 is amended by adding a new paragraph to read:

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

21 * Sec. 6. This Act takes effect immediately in accordance with AS 01.-
22 10.070(c).

COPY

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 18, 1985

SUBJECT: Sectional analysis of HB 185 (student loans)

TO: Representative Niilo Koponen
Chairman, Health, Education and Social
Services Committee

FROM: Keith B. Levy
Legislative Counsel

The following is a sectional analysis of HB 185, relating to the student loan program.

Section 1. Existing law allows a deferral of the repayment of student loans for certain activities including service on active duty as a member of the armed forces. This section limits the military service deferral to an initial period of service of up to six years (AS 14.43.120(k)).

Section 2. This section rewrites the eligibility requirements for a student loan (AS 14.43.125). To be eligible, a person must meet three requirements. First, the person must either be enrolled as a full-time student in a career education, associate, baccalaureate, or graduate program, or a high school graduate, or scheduled for graduation from high school within six months. Second, the person may not be delinquent or in default on a previously awarded loan. Third, the person must be a resident of the state at the time of application. To qualify as a resident, the person must either (1) have been physically present in the state for two years before applying; (2) have been present in the state for one year of the preceding five and be dependent on a parent or guardian who has been present in the state for two years before the application; or (3) have been present in the state for two years or be dependent on a parent or guardian who has been present in the state for two years before the person was absent from the state if the absence was due solely to one of the justifications listed in the statute. The justifications for absence include

Representative Niilo Koponen
Page 2
February 18, 1985

military service, Peace Corps service, volunteer service under the Domestic Volunteer Service Act of 1973, participating in a foreign exchange student program, attending school as a full-time student, full-time employment by the state, working as or being employed full-time by the state's congressional delegation, medical care for the applicant or the applicant's immediate family, and accompanying a spouse who qualifies under these provisions. A person does not qualify as a resident if that person establishes residence in another state during the absence.

Section 3. This section provides for an immediate effective date.

KBL:mkr
110:WKJ11

Alaska State Legislature

Representative Niilo Koponen

FAIRBANKS
Box 252
Fairbanks, Alaska 99707
479-6782

JUNEAU
Pouch V
Juneau, Alaska 99811
465-4992

HOUSE BILL 185

House Bill 185 is legislation requested by the Postsecondary Commission. Last year it was introduced as SB 385. HB 185 is a shortened version of the final version of SB 385 (CSSB 385(Fin) am).

This bill deals with two sections of AS 14.43. The first (AS 14.43.120(k)), deals with "Conditions of Loans" - specifically deferral of repayment. The second section (AS 14.43.125) deals with eligibility for the student loan program.

DEFERRAL OF REPAYMENT - This bill defines a maximum length of time (6 years) for which a person can have repayment of their student loan deferred because they are on active duty as a member of the armed forces of the United States.

SB 385 originally had a deferral period of 4 years. This was increased to 6 years in the Senate Finance amended version after discussion in committee of initial service periods which last 6 years rather than 4.

ELIGIBILITY - Language is added making certain provisions by which a person could have been out of state within the last two years and still be eligible for a student loan. These provisions include required medical care, attendance school outside of Alaska as a fulltime student etc. Currently, military service is one of the only allowable absences.

At present the Postsecondary Commission has no statutory authority to grant Alaska Student Loan eligibility to anyone who has been out of the state in the 2 years immediately prior to applying for a student loan. There is a Postsecondary Commission regulation to allow absences out of state of not more than 8 consecutive weeks or no more than 16 total weeks, but even students who have been receiving Alaska student loans and who have been going to school fulltime outside the state are not, under current statute made clearly eligible for the Alaska Student Loan program.

In Section 3 (B) a dependent must have been present in the state for at least one year of the immediately preceding 5 years because that is a requirement Senate Judiciary included in the omnibus residence bill (HB323). (Now AS 14.43.125)

I have included a copy of the referenced existing statutes for your convenience.

March 29, 1985

To: The Chairman and Members of the House Finance Committee

From: Ronald D. Martinson, 3220 Briarcliff Dr. Anchorage, AK 99508 338-2488, 277-1622

Re: House Bill No. 185 and House Bill No. 197 (Student Loans)

I am writing to urge you to pass on to the House as swiftly as possible the two Bills mentioned above. I would hope that this might be done so that the Full House might act on them and process them on through the Legislature and Governor so that they might become law during this session.

I request this for the following reasons: (1) I have discovered the shortcomings of the law(s) regarding the present rules on the student loan program through a lengthy appeal process in behalf of our daughter, Anne. (2) I discovered that the requirements for residency to enter the loan program as stated on the 1984-1985 forms were not what the law(s) read. This created confusion and frustration for an applicant who was denied, as well as for the Commission on Postsecondary Education as it sought to work under the law(s). (3) I have read carefully House Bill No. 185 and I am in full agreement with it. It covers all of the concerns I raised in the appeal process regarding the law(s) presently in effect, i.e., absence due to being in college out of State, the power of the Commission to act (by 2/3 majority) to admit persons to the loan program when there are unusual circumstances affecting their entrance into the program, loss of use of the program when a person becomes a resident of another state during absence from Alaska. (4) The change in the law made in 1983 which required one year in the last five of personal presence in the State might have seemed to be generous; however, it gave a person four years after leaving the State to continue in the loan program and denied a person who moved here with her family and left for college in the fall the opportunity to enter it. It also would have eliminated a person who attended four years of college and one year of graduate school outside of the State from continued use of the program, if the "letter of the law" had been enforced. The law preserved a person's right to use the program but made it difficult to enter it. (5) This Bill will allow the goals of the Alaska Student Loan Program to be met; and (6) I have read the rules for eligibility regarding residency as printed in the forms for use in 1985-1986 and they will need the passage of House Bill No. 185 to match the law(s) of the State of Alaska.

We have an excellent Student Loan Program in the State of Alaska. The passage of these two bills will clarify several issues which need legal clarification if the program is to continue to be fair and just.

I would hope that no changes would be made to these Bills as they proceed toward law. Some may want to limit the program to recent high school graduates. I believe that would be a mistake, and it would open the program to legal battles which could destroy it. It would prevent persons from getting a loan who need further education to continue their work or who need to change work because of injury or changes in economic conditions or of unemployment in their chosen field. Interest may need to be increased and the forgiveness provision may need to be re-examined, but the whole program should not be changed. In an effort to save money for the State we may be looking at areas which should be left alone. I would hope that we could increase our efforts to collect from those who use the program and default in their payments. Thank you for listening to my concerns.

Sincerely,

Ronald D. Martinson
Ronald D. Martinson

cc Dr. Kerry Romesburg
Other Members of the House and Senate

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Revisor's notes. — AS 14.43.115 was substituted for AS 14.40.765 to conform to the renumbering of that section by the revisor of statutes under AS 01.05.031.

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

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

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

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

(d) Scholarship loans may not be made to a student
(1) for more than five years of undergraduate study;
(2) for more than five years of graduate study;
(3) for more than a total of eight years of undergraduate and graduate study.

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

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

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

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

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

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

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

Revisor's notes. — In ch. 98, SLA 1971, AS 14.43.120(j)(2) read "four — five years ..." This was a typographical error occurring for the first time in the enrolled version of the bill (CSHB 415 Finance am

Sl and has been corrected here. Effect of amendments. — The 1979 amendment deleted "approved by the commission" following "career education program" and substituted the language

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

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

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

Editor's notes. — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity with AS 01-5.031(c) and § 4, Chapter 58, SLA 1982.

Section 8, ch. 99, SLA 1977 provides: "The change in the repayment period of student loans set out in AS 14.40.763(g) [now 14.43.120(g)] as amended by sec. 3 of this Act and the additional basis for granting a deferment of repayment of a student loan set out in AS 14.40.763(k) [now 14.43.120(k)] as enacted by sec. 4 of this Act shall, upon request of the loan recipient, be applied retroactively to the outstanding balance of principal of and accrued interest on loans made under AS 14.40.751 — 14.40.806 [now 14.43.090 — 14.43.160] as they read before the effective date of this Act."

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

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

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

(1) is a resident of the state at the time of application for a scholarship loan;

(2) meets the requirements of (b) of this section; and

(3) is

(A) enrolled as a full-time student in a career education or associate or baccalaureate or graduate degree program; or

(B) a graduate of a high school, or scheduled for graduation from a high school within six months, with sufficient credits to be admitted to a career education program or to an accredited college or university.

(b) In addition to the requirements of (a) of this section, to obtain a scholarship loan a person must have been a resident of the state for at least two years at the time of application for the loan. For purposes of

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

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

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

Effect of amendments. — The 1981 amendment rewrote this section. remove personal pronouns in conformity with AS 01.05.031(c) and § 4, ch. 58, SLA 1982.

Editor's notes. — This section was redrafted by the revisor of statutes to

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

(1) student status:

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

(2) continuous Alaskan residency:

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

(3) students attending Alaska colleges or universities . . . 1 point

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

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

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

Effect of amendments. — The 1979 amendment rewrote this section. 1979 provides: "The legislature determines that

Editor's notes. — Section 1, ch. 87, SLA "(1) there are no incentives in the

ALASKA STATE LEGISLATURE - SENATE

SENATOR RICHARD I. ELIASON



LABOR & COMMERCE COMMITTEE, VICE-CHAIRMAN
LEGISLATIVE COUNCIL, VICE-CHAIRMAN
FINANCE COMMITTEE
RESOURCES COMMITTEE

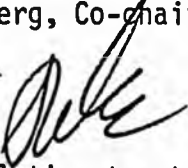
P.O. BOX 143
SITKA, ALASKA 99835

POUCH V
JUNEAU, ALASKA 99811
(907) 465-4916

MEMORANDUM

TO: Representative Koponen, Co-chairman
House HES. Committee

Representative Gruenberg, Co-chairman
House HESS Committee

FROM: Senator Dick Eliason 

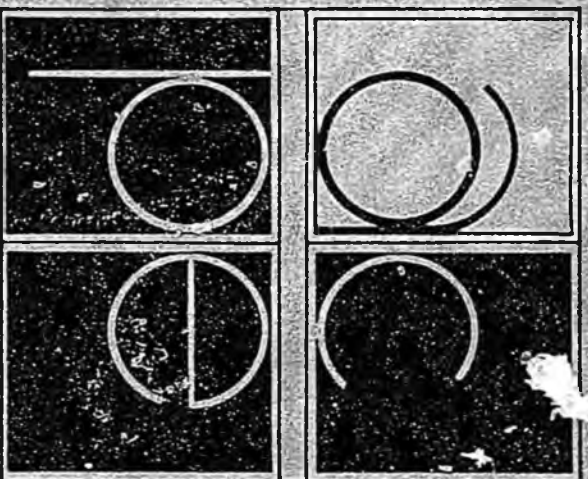
RE: H.B. 185 - "An Act relating to student loans"

DATE: March 19, 1985

Committee Substitute for House Bill 185 (Loans) addresses a current concern expressed by several residents of Sitka. A student, who attended a religious high school outside of the state, was not eligible for a student loan. Although the individual was an Alaskan resident for more than two years, she was not able to satisfy the eligibility requirement which states that an applicant must be physically present in Alaska "at least one year of the immediately preceding five years" before the time of application.

At my request, the House Special Committee on Loans considered this apparent oversight and proposed a viable solution. CS HB 185 (Loans) states that the Postsecondary Education Commission "may by a two-thirds vote, acting upon a written appeal by the person, grant an exemption to the requirement that the person has been present in the state for one year of the immediately preceding five years". This mechanism will allow the much-needed flexibility in determining each student's eligibility.

I strongly support this legislation and urge its passage from committee.



Alaska Commission on Postsecondary Education

ALASKA STUDENT LOAN

Background and Discussion Materials

February 1985

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	53.05	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

ALASKA STUDENT LOAN PROGRAM

1984-85 Loans

(a) Funds Available

FY85 General Fund Appropriation	\$60,000,000
FY84 Carry-Forward	8,745,359
Federal Funds (GSL)	350,000
	<u>Sub-Total</u>
	\$69,095,359
Estimated FY85 Receipts	8,496,463
	<u>Total</u>
	\$77,591,822

(b) Loans as of April 5, 1985

Student Level	Alaska		Out-of-State		Total	
	Number	Amount	Number	Amount	Number	Amount
Freshman	2,896	\$10,086,032	2,045	\$ 9,376,449	4,941	\$19,462,481
Sophomore	1,487	5,680,594	1,525	7,155,363	3,012	12,835,957
Junior	1,024	4,118,473	1,292	6,290,075	2,316	10,408,548
Senior	1,064	4,289,891	1,153	5,553,274	2,217	9,843,165
Vocational	2,157	11,289,047	804	3,915,398	2,961	15,204,445
Undergraduate	8,628	\$35,464,037	6,819	\$32,290,559	15,447	\$67,754,596
Graduate	295	1,351,419	1,041	6,017,558	1,336	7,368,977
Total	8,923	\$36,815,456	7,860	\$38,308,117	16,783	\$75,123,573

(c) In-State/Out-of-State Attendance by Level (April 5, 1985).

Student Level	Alaska	%	Out-of-State	%
Freshman	2,896	58.6	2,045	41.4
Sophomore	1,487	49.4	1,525	50.6
Junior	1,024	44.2	1,292	55.8
Senior	1,064	48.0	1,153	52.0
Vocational	2,157	72.8	804	27.2
Undergraduate	8,628	55.9	6,819	44.1
Graduate	295	22.1	1,041	77.9
Total	8,923	53.2	7,860	46.8

(d) Percent In-State Previous Years

Year	Undergraduate	Graduate	All Loans
1978-79	35.1	12.0	32.3
1979-80	36.1	12.3	33.3
1980-81	45.3	17.9	42.3
1981-82	47.3	23.8	45.0
1982-83	53.1	23.4	50.4
1983-84	53.3	21.9	50.5
1984-85 (To date)	55.9	22.1	53.2

DISTRIBUTION OF ALASKA STATE LOANS
FOR STUDENTS ATTENDING IN ALASKA
(1984-85 Loans)
(As of December 31, 1984)

Institution	1984-85	
	No.	Amount
University of Alaska, Fairbanks	2,101	\$ 8,130,700
University of Alaska, Anchorage	1,443	6,111,600
Anchorage Community College	1,366	5,879,150
Kenai Peninsula Community College	352	1,586,200
University of Alaska, Juneau	281	1,194,950
Alaska Pacific University	246	1,182,900
Alaska Vocational-Technical Center	180	500,800
Matanuska-Susitna Community College	168	722,300
Tanana Valley Community College	155	741,600
Testing Institute of Alaska	152	831,600
Bookkeeping Concepts	151	777,900
Alaska Masonry School	150	886,300
Sheldon Jackson College	141	732,900
New Anchorage Beauty School	111	587,200
Alaska Business College	77	443,100
Alaska Computer Institute of Technology	75	426,850
Clerical Skills Training	69	403,450
Ketchikan Community College	58	243,250
Hutchison Career Center	55	225,800
Alaska Vocational School	53	271,300
Gordon Aviation, Inc.	52	234,000
Scruples II, Action School of Broadcasting	52	227,000
North Pacific Business Institute	50	276,600
Trend Setters School of Beauty	49	283,650
Prince William Sound Community College	48	213,350
People Count, Inc.	45	220,400
Wilburs Flight Operation	41	220,900
Satellite Technicians Applied Research and Development	38	228,000
Aviation Network	31	170,700
Academy of Hair Design	30	138,200
Islands Community College	30	121,800
Aero Tech Flight School	29	166,000
Kuskokwim Community College	29	88,650
Kodiak Community College	27	120,200
Anchorage Alaska School of Barbering	26	135,800
Kotzebue Technical Center	25	115,000
Fort Richardson Flying Club	24	136,500
Elmendorf Aero Club	24	133,500
Headquarters Barber & Beauty Academy	21	110,600
Aviation North	18	94,450
Larry's Flying Service	16	95,450
Vern Air	16	93,000

(Continued)

Institution	1984-85	
	No.	Amount
Peninsula Hair Styling Academy	16	74,250
St. Herman's Theological Seminary	15	57,450
A.I.R. Center	14	78,500
New Concepts Beauty School	14	53,900
Delta Greely Rural Educational Center	13	59,500
World Security Police Academy	11	34,300
University of LaVerne	8	41,000
Alaska Bible College	7	26,100
Fairbanks Beauty School	6	25,700
Alaska Air Academy	5	29,000
Chapman College	5	18,250
American Pacific Aviation	4	24,000
Peninsula Institute of Welding Technology	4	23,200
Air Cushion Technologies	4	14,750
Arctic Bible Institute	4	9,100
Action Helicopter	3	18,000
Northwest Community College	3	11,350
High Tech Helicopter	2	12,000
Alaska Aviation School	1	6,000
Alaska Native Training Institute	1	6,000
University of Alaska, Rural Education	1	6,000
Flight Training Devices	1	5,700
Victorian Academy of Cosmetology and Barbering	1	5,200
Far North Bible College	1	4,550
TOTAL	8,250	\$36,147,350

INSTITUTIONS AT WHICH AT LEAST FIFTY ALASKA
STUDENT LOAN BORROWERS ATTENDED
(1984-85 Loans)
(As of December 31, 1984)

Institution	1984-85	
	No.	Amount
*University of Alaska, Fairbanks	2,101	\$8,130,700
*University of Alaska, Anchorage	1,443	6,111,600
*Anchorage Community College	1,366	5,879,150
*Kenai Peninsula Community College	352	1,586,200
*University of Alaska, Juneau	281	1,194,950
University of Washington	255	1,379,700
*Alaska Pacific University	246	1,182,900
Oregon State University	231	1,218,300
University of Oregon	212	1,088,750
*Alaska Vocational-Technical Center	180	500,800
*Matanuska-Susitna Community College	168	722,300
Arizona State University	166	863,100
Western Washington University	162	821,150
Brigham Young University (UT)	157	585,150
*Tanana Valley Community College	155	741,600
*Testing Institute of Alaska	152	831,600
*Alaska Masonry School	150	886,300
*Sheldon Jackson College	141	732,900
Washington State University	132	716,750
International Air Academy (WA)	128	521,300
University of Puget Sound (WA)	112	625,900
*New Anchorage Beauty School	111	587,200
Northern Arizona University	110	532,150
Central Washington University	96	528,500
University of Arizona	94	490,940
Gonzaga University (WA)	93	543,950
Willamette University (OR)	90	522,500
University of Hawaii, Manoa	82	411,100
Montana State University	82	399,900
University of Colorado	78	419,750
*Alaska Business College	77	443,100
*Alaska Computer Institute of Technology	75	426,850
Seattle University (WA)	73	376,050
Pacific Lutheran University (WA)	71	397,350
University of Idaho	70	362,300
Seattle Pacific University (WA)	70	360,950
*Clerical Skills Training	69	403,450
University of Montana	65	287,450
Lewis and Clark College (OR)	62	320,000
Colorado State University	59	330,450
Stanford University (CA)	58	323,550
*Ketchikan Community College	58	243,250

*Alaskan Schools

(Continued)

Institution	1984-85	
	No.	Amount
West Coast Training Service	58	219,600
Eastern Washington University	57	302,850
Linfield College (OR)	57	291,050
University of Colorado, Boulder	56	291,000
*Hutchison Career Center	55	225,800
Southern Oregon State College	54	274,950
*Alaska Vocational Schools	53	271,300
*Gordon Aviation, Inc.	52	234,000
*Scruples II, Action School of Broadcasting	52	227,000
Denver Automotive and Diesel College (CO)	51	293,350
DeVry Institute of Technology (AZ)	51	265,300
*North Pacific Business Institute	50	276,600

*Alaskan School

ALASKA STUDENT LOAN PROGRAM
REPAYMENT AND COLLECTIONS REPORT

1. Repayments

<u>Year</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>	<u>Average Monthly</u>
1974-75	\$ 73,432	\$ 162,044	\$ 235,476	\$ 19,623
1975-76	162,354	303,176	465,530	38,794
1976-77	320,971	820,490	1,141,461	95,122
1977-78	223,739	968,112	1,191,851	99,321
1978-79	172,249	1,219,394	1,391,643	115,970
1979-80	243,347	1,360,089	1,603,436	133,620
1980-81	416,779	1,808,609	2,225,388	185,449
1981-82	517,939	2,261,961	2,779,900	231,658
1982-83	730,150	3,877,901	4,609,051	384,088
1983-84	1,100,111	5,310,013	6,410,124	534,177
1984-85	N.A.	N.A.	9,927,084	827,257 (est.)
1985-86	N.A.	N.A.	11,879,790	989,983 (est.)

Total repaid through 1983-84: \$22,053,860

2. Number of loan accounts in repayment

<u>June 30</u>	<u>Number</u>
1981	7,196
1982	10,683
1983	15,669
1984	21,771
1985	29,326 (est.)

3. Forgiveness (through December 1984)

<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>	<u>Fifth</u>
627	627	627	627	627
524	524	524	524	-0-
568	568	568	-0-	-0-
833	833	-0-	-0-	-0-
<u>1,447</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
3,999	2,552	1,719	1,151	627

4. Forgiveness Benefits Received (1974-75 through 1983-84)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1974-75	\$ 304	\$ 399	\$ 703
1975-76	42,733	1,500	44,233
1976-77	61,202	3,544	64,746
1977-78	274,210	40,096	314,306
1978-79	367,590	78,395	445,985
1979-80	334,491	75,010	409,501
1980-81	446,077	109,417	555,494
1981-82	617,986	167,783	785,769
1982-83	665,016	181,012	846,028
1983-84	960,738	210,501	1,171,239
TOTAL	\$3,770,347	\$867,657	\$4,638,004

5. Default (Compiled on June 30)

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
1971-72	N.A.	1978-79	19.3%
1972-73	N.A.	1979-80	14.5%
1973-74	N.A.	1980-81	11.5%
1974-75	80.0%	1981-82	9.2%
1975-76	44.6%	1982-83	9.1%
1976-77	24.9%	1983-84	13.5%
1977-78	22.3%		

Monthly (1984-85)

<u>Month</u>	<u>Rate</u>
July	14.2%
August	14.6%
September*	17.0%
October *	17.4%
November *	17.7%
December *	16.9%
January *	15.7%
February *	15.5%
March *	15.7%

*Accounts transferred to Patterson and Van Abel.

6. Number of defaulted accounts transferred to Patterson and Van Abel.

<u>Month</u>	<u>Accounts</u>
October	3,190
November	108
December	125
January	302
February	112
March	144
TOTAL	3,981

TABLE I
STUDENT FINANCIAL AIDS ADMINISTRATION
STATE STUDENT LOAN ACTIVITY
Projected to 1989-90

Year	Loan Awards	Loan Volume	Cumulative Total	Average Loan	Loan Collections	Federal Funds	Loan Forgiveness	General Fund
1971-72	1,081	\$ 1,603,158	\$ 1,603,158	\$1,483	\$ -0-	\$ -0-	\$ -0-	\$ 1,603,158
1972-73	1,746	2,870,384	4,473,542	1,642	-0-	-0-	-0-	2,870,384
1973-74	1,665	2,986,176	7,459,718	1,793	-0-	-0-	-0-	2,986,176
1974-75	1,457	2,659,807	10,119,525	1,826	235,476	-0-	703	2,424,331
1975-76	1,719	3,382,997	13,502,522	1,968	465,530	-0-	44,233	2,977,467
1976-77	1,921	3,850,507	17,353,029	2,004	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	13,732,329
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	13,058	55,007,395	149,272,158	4,213	4,609,051	1,200,000	(846,028)	49,198,344
1983-84	14,785	62,912,316	212,184,474	4,255	6,410,124	522,481	1,171,239	56,162,552
1984-85	16,404	73,818,000	286,002,474	4,500	9,927,084	350,000	1,950,101	63,540,916
1985-86	17,693	84,484,075	370,486,549	4,775	11,879,790	225,000	2,325,078	72,379,285
1986-87	17,894	90,364,700	460,851,249	5,050	15,103,702	150,000	2,944,162	75,110,998
1987-88	17,178	92,761,200	553,612,449	5,400	18,421,086	65,000	3,581,196	74,275,114
1988-89	15,212	87,088,700	640,701,149	5,725	21,667,004	25,000	4,204,507	65,396,696
1989-90	15,465	92,016,750	732,717,899	5,950	24,475,215	N.A.	4,743,765	67,541,535

*1984-85 through 1989-90 are projections

Revised 9/84

SAMPLE STUDENT BUDGETS
(1984-85)*

Budget Item	UAF On-Campus	UAF Off-Campus	UAA	UAJ	ACC	Kenai Penn. C.C.	APU On-Campus	SJC On-Campus
Tuition & Fees	\$ 940	\$ 940	\$ 720	\$ 744	\$ 720	\$ 636	\$3,550	\$3,246
Room & Board	2,400	4,800	5,148	4,650	5,148	4,913	3,350	3,400
Books & Supplies	400	400	270	300	290	270	270	300
Subtotal	\$3,740	\$6,140	\$6,138	\$5,694	\$6,158	\$5,819	\$7,170	\$6,946
Transportation Personal	1,000 800	1,000 800	801 963	700 900	774 927	1,152 918	800 910	900 900
Total	\$5,540	\$7,940	\$7,902	\$7,294	\$7,859	\$7,889	\$8,880	\$8,746

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	\$4,030	\$6,410	\$ 6,080	\$7,569	\$3,618	\$3,486
Room & Board	2,200	2,340	2,700	2,210	3,037	2,805	2,325
Books & Supplies	330	300	250	250	250	399	350
Subtotal	\$6,580	\$6,720	\$9,360	\$ 8,540	\$10,856	\$6,822	\$6,161
Transportation Personal	1,400 1,050	1,300 1,000	2,000 550	2,000 650	1,600 600	1,600 1,158	1,600 700
Total	\$9,030	\$9,020	\$11,910	\$11,190	\$13,056	\$9,580	\$8,461

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	\$3,624	\$ 5,950	\$ 6,330	\$ 5,900	\$ 5,625	\$3,700	\$3,200
Room & Board	2,400	2,800	2,900	2,700	2,955	2,700	1,960
Books & Supplies	350	400	400	400	400	420	350
Subtotal	\$6,374	\$ 9,150	\$ 9,630	\$ 9,000	\$ 8,980	\$6,820	\$5,510
Transportation Personal	1,700 1,000	1,750 1,200	1,300 400	1,700 1,000	1,800 1,020	1,700 1,000	1,400 800
Total	\$9,074	\$12,100	\$11,330	\$11,700	\$11,800	\$9,520	\$7,710

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

SAMPLE STUDENT BUDGETS
(1984-85)*

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	\$3,126	\$2,816	\$2,241	\$4,805	\$ 5,055	\$ 6,696	\$ 9,750
Room & Board	2,275	2,580	2,081	2,740	2,468	2,955	4,000
Books & Supplies	368	400	200	320	325	375	400
Subtotal	\$5,769	\$5,796	\$4,522	\$7,865	\$ 7,848	\$10,026	\$14,150
Transportation Personal	1,400 686	1,500 600	1,100 500	1,550 260	1,800 1,417	1,615 690	2,000 800
Total	\$7,855	\$8,414	\$6,122	\$9,675	\$10,733	\$12,331	\$16,950

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	\$ 9,116	\$4,260	\$ 9,615	\$ 9,090	\$1,400
Room & Board	3,900	3,110	3,540	3,490	2,100
Books & Supplies	350	300	405	inc. personal 1,080	370
Subtotal	\$13,366	\$7,670	\$13,560	\$13,660	\$3,870
Transportation Personal	1,700 700	2,000 800	2,080 730	2,000 1,600	1,200 680
Total	\$15,766	\$10,470	\$16,370	\$16,260	\$5,750

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

Offered: 3/4/85
Referred: Health, Education &
Social Services and Finance

Original sponsors: Koponen, Goll,
Sund, et al

1 IN THE HOUSE BY THE HOUSE SPECIAL COMMITTEE
ON STATE LOANS

2 CS FOR HOUSE BILL NO. 185 (Loans)
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 maximum loan amounts, eli-
7 gibility requirements, and conditions of scholarship
8 loans; and providing for an effective date."

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 14.43.120(k) is amended to read:

26 (k) Periodic installments of principal shall be deferred, but
27 interest shall accrue and be paid unless the student is eligible for
28 interest payment benefits under (1) of this section during any of the
29 following:

1 (1) return to student status as provided in (c) of this
2 section;

3 (2) serving an initial period of up to six years on active
4 duty as a member of the armed forces of the United States;

5 (3) serving, for up to three years, as a full-time volun-
6 teer under the Peace Corps Act;

7 (4) serving, for up to three years, as a full-time volun-
8 teer under the Domestic Volunteer Service Act of 1973;

9 (5) for a one-time period up to 12 months in which the
10 borrower is seeking and unable to find employment in the United
11 States; or

12 (6) if the borrower becomes 50 percent or more disabled as
13 certified by competent medical authority.

14 * Sec. 4. AS 14.43.125 is repealed and reenacted to read:

15 Sec. 14.43.125. ELIGIBILITY OF STUDENTS. (a) A person may
16 apply for and obtain a scholarship loan if the person

17 (1) is

18 (A) enrolled as a full-time student in a career educa-
19 tion, associate, baccalaureate, or graduate degree program; or

20 (B) a graduate of a high school or the equivalent, or
21 scheduled for graduation from a high school within six months,
22 with sufficient credits to be admitted to a career education
23 program or to an accredited college or university;

24 (2) is not delinquent or in default on a previously awarded
25 scholarship loan; and

26 (3) is a resident of the state at the time of application
27 for the loan; for purposes of this section, a person qualifies as a
28 resident of the state if at the time of application for the loan the
29 person

1 (A) has been physically present in the state for at
2 least two years immediately before the time of application for
3 the loan;

4 (B) is dependent on a parent or guardian for care, the
5 parent or guardian has been present in the state for at least two
6 years immediately before the time of application for the loan and
7 the person has been present in the state for at least one year of
8 the immediately preceding five years except that the commission
9 may by a two-thirds vote, acting upon a written appeal by the
10 person, grant an exemption to the requirement that the person has
11 been present in the state for one year of the immediately preced-
12 ing five years;

13 (C) has been physically present in the state, or is a
14 dependent of a parent or guardian who has been physically present
15 in the state, for at least two years immediately before the
16 applicant was absent from the state and the absence is due solely
17 to

18 (i) serving an initial period of up to six years
19 on active duty as a member of the armed forces of the United
20 States;

21 (ii) serving, for up to three years, as a full-
22 time volunteer under the Peace Corps Act;

23 (iii) serving, for up to three years, as a full-
24 time volunteer under the Domestic Volunteer Service Act of
25 1973;

26 (iv) required medical care for the applicant or
27 the applicant's immediate family;

28 (v) being a person who otherwise qualifies as a
29 resident and is accompanying a spouse who qualifies as a

1 resident under (i) - (iv) of this paragraph; or

2 (D) has been physically present in the state, or is a
3 dependent of a parent or guardian who has been physically present
4 in the state, for at least two years immediately before the
5 applicant or the parent or guardian was absent from the state and
6 the absence is due solely to

7 (i) participating in a foreign exchange student
8 program recognized by the commission;

9 (ii) attending a school as a full-time student;

10 (iii) full-time employment by the state;

11 (iv) being a member of or employed full-time by
12 the state's congressional delegation;

13 (v) being a person who otherwise qualifies as a
14 resident and is accompanying a spouse who qualifies as a
15 resident under (i) - (iv) of this paragraph.

16 (b) A person does not qualify as a resident of the state under this
17 section if the person declares or establishes residence in another state
18 during an absence from Alaska.

19 * Sec. 5. AS 14.43.160 is amended by adding a new paragraph to read:

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

21 * Sec. 6. This Act takes effect immediately in accordance with AS 01.-
22 10.070(c).

Introduced: 2/8/85
Referred: House Special Committee on
State Loans, Health, Education &
Social Services and Finance

BY KOPONEN, GOLL, SUND,
TAYLOR, HURLEY, NAVARRE,
GRUENBERG, DAVIS AND
BOUCHER

1 IN THE HOUSE

2

HOUSE BILL NO. 185

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 student loans; and providing for
7 an effective date."

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

9 * Section 1. AS 14.43.120(k) is amended to read:

10 (k) Periodic installments of principal shall be deferred, but
11 interest shall accrue and be paid unless the student is eligible for
12 interest payment benefits under (1) of this section during any of the
13 following:

14 (1) return to student status as provided in (c) of this
15 section;

16 (2) serving an initial period of up to six years on active
17 duty as a member of the armed forces of the United States;

18 (3) serving, for up to three years, as a full-time volun-
19 teer under the Peace Corps Act;

20 (4) serving, for up to three years, as a full-time volun-
21 teer under the Domestic Volunteer Service Act of 1973;

22 (5) for a one-time period up to 12 months in which the
23 borrower is seeking and unable to find employment in the United
24 States; or

25 (6) if the borrower becomes 50 percent or more disabled as
26 certified by competent medical authority.

27 * Sec. 2. AS 14.43.125 is repealed and reenacted to read:

28 Sec. 14.43.125. ELIGIBILITY OF STUDENTS. (a) A person may
29 apply for and obtain a scholarship loan if the person

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(1) is

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

(2) is not delinquent or in default on a previously awarded scholarship loan; and

(3) is a resident of the state at the time of application for the loan; for 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 immediately before the time of application for the loan;

(B) is dependent on a parent or guardian for care, the parent or guardian has been present in the state for at least two years immediately before the time of application for the loan and the person has been present in the state for at least one year of the immediately preceding five years; or

(C) has been physically present in the state, or is a dependent of a parent or guardian who has been physically present in the state, for at least two years immediately before being absent from the state and the absence is due solely to

- (i) military service;
- (ii) volunteer service under the Peace Corps Act;
- (iii) volunteer service under the Domestic Volunteer Service Act of 1973;

1 (iv) participating in a foreign exchange student
2 program recognized by the commission;
3 (v) attending a school as a full-time student;
4 (vi) full-time employment by the state;
5 (vii) being a member of or employed full-time by
6 the state's congressional delegation;
7 (viii) required medical care for the applicant or
8 the applicant's immediate family; or
9 (ix) being a person who otherwise qualifies as a
10 resident and is accompanying a spouse who qualifies as a
11 resident under (i) - (viii) of this paragraph.
12 (b) A person does not qualify as a resident of the state under
13 this section if the person declares or establishes residence in another
14 state during an absence from Alaska.
15 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
16 10.070(c).

COMMITTEE REPORT
HOUSE

(11)

FURTHER:

3/8/85

Date: 3-21-85

Mr. Speaker:

The Committee on FINANCE has had HB 186

"An Act creating the Anchorage Coastal Wildlife Refuge."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 186 (D.C.A.) same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation Zero Fiscal Note Attached
2-21-85
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

[Signature]

Pat Pouchot

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature] No Rec

[Signature] No Rec

Kirk (No Rec)

[Signature]
CHAIRMAN

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST CS (Res)
 Bill/Resolution No.: HE 186
 Title: Anchorage Coastal Refuge

FISCAL DETAIL
 Agency Affected: Natural Resources
 Program Category Affected: NR-10

Sponsor: Szymanski
 Requestor: _____
 Date of Request: _____

BRU, Program or Subprogram(s) Affected:
Land and Water Management

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		-0-	-0-	-0-	-0-	-0-

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

oh
3/6/85

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

No fiscal impact.

Prepared By: Ned Farquhar Phone: 465-2400
 Division: Commissioner's Office Date: 21 February 1985

Approved by Commissioner: Ned Farquhar *NF 3/6* Date: 21 February 1985
 Agency: Natural Resources

Distribution (by Agency preparing fiscal note):

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

7/1/84

Offered: 3/8/85
Referred: Finance

Original sponsors: Szymanski and Clocksin

1 IN THE HOUSE BY THE RESOURCES COMMITTEE
2 CS FOR HOUSE BILL NO. 186 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - FIRST SESSION
5 A BILL
6 For an Act entitled: "An Act creating the Anchorage Coastal Wildlife
7 Refuge."
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
9 * Section 1. AS 16.20 is amended by adding a new section to read:
10 Sec. 16.20.031. ANCHORAGE COASTAL WILDLIFE REFUGE. (a) The
11 following described state-owned land and water is established as the
12 Anchorage Coastal Wildlife Refuge and shall be managed as a state game
13 refuge for the protection of waterfowl, shorebirds, salmon, and other
14 fish and wildlife species, and their habitat and for the use and
15 enjoyment of the people of the state:
16 (1) Township 13 North, Range 4 West, Seward Meridian
17 Section 20: SE 1/4 seaward of the 20 foot elevation
18 contour
19 SE 1/4 NE 1/4 seaward of the 20 foot elevation con-
20 tour
21 Section 29: E 1/2 seaward of the 20 foot elevation
22 contour
23 SW 1/4 seaward of the 20 foot elevation contour
24 Section 30: SE 1/4 SE 1/4
25 Section 31: All seaward of the 20 foot elevation
26 contour except NW 1/4 NW 1/4
27 Section 32: All seaward of the 20 foot elevation
28 contour
29 (2) Township 13 North, Range 5 West, Seward Meridian

1 Section 36: S 1/2
2 S 1/2 N 1/2
3 (3) Township 12 North, Range 4 West, Seward Meridian
4 Sections 6 - 9: Seaward of the 20 foot elevation
5 contour
6 Section 15: NW 1/4 seaward of the 20 foot elevation
7 contour
8 SW 1/4 NE 1/4 seaward of the 20 foot elevation
9 contour
10 Government Lot 5 and the remainder of the W 1/2 SE
11 1/4, all
12 SW 1/4
13 Section 16: Seaward of the 20 foot elevation contour
14 Sections 17 - 22
15 Section 23: Government Lot 1 and the remainder of the
16 SW 1/4, all seaward of the 20 foot elevation contour
17 Government Lot 2 and the remainder of the S 1/2 NW
18 1/4, all seaward of the 20 foot elevation contour
19 Government Lots 3 and 4, and the remainder of the SE
20 1/4, all seaward of the 20 foot elevation contour
21 Section 24: Tract A, Shorecrest Subdivision (Plat No.
22 81-68, Anchorage Recording District)
23 Section 25: Government Lots 1 and 2, and the remainder
24 of the W 1/2, all
25 Tract A, Johns Park Estates, and the remainder of the
26 NE 1/4, excluding Skyway Park Estates, Addition No. 1
27 all seaward of the 20 foot elevation contour Govern-
28 ment Lots 3 and 4, and the remainder of the SE 1/4,
29 all

1 Sections 26 - 36
2 (4) Township 12 North, Range 5 West, Seward Meridian
3 Sections 1 - 2
4 Sections 11 - 14
5 Sections 23 - 26
6 Sections 35 - 36
7 (5) Township 12 North, Range 3 West, Seward Meridian
8 Section 29: That portion of the SW 1/4 southwesterly
9 of the Alaska Railroad right-of-way and southerly of
10 Oceanview Subdivision, Addition No. 6
11 Section 30: That portion of Tract A, Johns Park
12 Estates, seaward of the 20 foot elevation contour
13 Government Lot 2 and that portion of the SE 1/4 NW
14 1/4 southwesterly of Oceanview West Subdivision,
15 Addition No. 1
16 Government Lots 3 and 4 and the remainder of the SW
17 1/4, all
18 That portion of the SW 1/4 NE 1/4 and the SE 1/4
19 southwesterly of Oceanview Subdivision, Addition No.
20 4 and Addition No. 6
21 Section 31
22 Section 32: All lands southwesterly of the Alaska
23 Railroad right-of-way
24 Section 33: All lands westerly of the Alaska Railroad
25 right-of-way
26 (6) Township 11 North, Range 3 West, Seward Meridian
27 Section 3: Government Lot 5
28 Section 4: That portion southwesterly of the Old
29 Seward Highway right-of-way and The Landings

1 Subdivision which is northeasterly of the New Seward
2 Highway right-of-way
3 That portion southwesterly of the Alaska Railroad
4 right-of-way

5 Sections 5 - 8

6 Section 9: That portion southwesterly of the Alaska
7 Railroad right-of-way

8 That portion northeasterly of the New Seward Highway
9 right-of-way

10 Section 10: That portion westerly of the Old Seward
11 Highway right-of-way which is northeasterly of
12 the New Seward Highway right-of-way

13 That portion southwesterly of the Alaska Railroad
14 right-of-way

15 (7) Township 11 North, Range 4 West, Seward Meridian

16 Sections 1 - 4

17 Sections 10 - 12

18 (b) Except as provided in (d) of this section, the Department of
19 Fish and Game and the Department of Natural Resources shall exercise
20 their respective authorities over the Anchorage Coastal Wildlife
21 Refuge consistent with a management plan prepared by the Department of
22 Fish and Game under AS 16.20.040 - 16.20.060.

23 (c) A management plan prepared under AS 16.20.040 - 16.20.060
24 shall assure continued surface access to Fire Island and recommend a
25 corridor for constructed access and utilities between Fire Island and
26 the Anchorage mainland.

27 (d) Land owned by the Municipality of Anchorage that lies within
28 the boundary of the Anchorage Coastal Wildlife Refuge described in (a)
29 of this section may be included in the Anchorage Coastal Wildlife

1 Refuge. An agreement between the Department of Fish and Game and the
2 Municipality of Anchorage for the management of the land within the
3 Anchorage Coastal Wildlife Refuge that is owned by the Municipality of
4 Anchorage shall be approved by the Municipality of Anchorage and by
5 the Department of Fish and Game.

6 (e) The state or the Municipality of Anchorage may not acquire
7 privately owned land within the Anchorage Coastal Wildlife Refuge
8 described in (a) of this section by eminent domain for inclusion
9 within the Anchorage Coastal Wildlife Refuge. The Department of Fish
10 and Game or the Municipality of Anchorage may acquire privately owned
11 land within the Anchorage Coastal Wildlife Refuge by purchase, ex-
12 change, or otherwise except by eminent domain.

13 (f) The land and water areas of the Anchorage Coastal Wildlife
14 Refuge are closed to mineral entry under AS 38.05.185 - 38.05.275.

15 * Sec. 2. The initial management plan prepared under AS 16.20.031(b) as
16 enacted in sec. 1 of this Act shall be completed within one year of the
17 effective date of this Act.

18 * Sec. 3. AS 16.20.030(b) is repealed.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: March 21, 1985

REQUEST

Bill/Resolution No.: CSHB 186
 Title: Anchorage Coastal Wildlife Refuge
 Sponsor: Szymanski & Clocksin
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Dept. of Fish and Game
 Program Category Affected: _____
Operational Budget
 BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES		45,115				
200 TRAVEL		0				
300 CONTRACTUAL		4,585				
400 SUPPLIES		300				
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		50,000				
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND	50,000				
FEDERAL FUNDS					
OTHER					
TOTAL	50,000				

POSITIONS:

FULL-TIME	16A				
PART-TIME					
TEMPORARY					

ANALYSIS: Attach a separate page if necessary

Employ one biologist for one year full time to prepare a management plan for Anchorage Coastal Wildlife Refuge including identification of a transportation and utility corridor between Fire Island and the Mainland.

Prepared By: Bruce H. Baker, Acting Director Phone: _____
 Division: Habitat Division 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

com 30/ ANCH. 2

\$50,000 - Employ one biologist for one year full time to prepare a management plan for Anchorage Coastal Wildlife Refuge including identification of a transportation and utility corridor between Fire Island and the Mainland.

Personnel - \$45,115

<u>Position</u>	<u>Grade/Step</u>	<u>Period</u>	<u>No. of Months</u>	<u>Cost/mo.</u>	<u>Cost for Period</u>
Biologist	16A	7/01/85-7/15/85	.5	3588	1974
		7/16/85-6/30/86	11.5	3767	<u>43,321</u>
					<u>45,115</u>

Travel - 0

Contractual - \$ 4585

telephone	75/mo x 12 mo	=	900
photocopy	10/mo x 12 mo	=	120
miscellaneous	15/mo x 12 mo	=	180
advertising/public notices		=	385
printing/photographic/ blue lining costs		=	<u>3000</u>
			\$ 4585

Commodities - \$ 300

Office supplies - \$300

TOTAL \$50,000



Finance Committee
Oil and Gas Committee

Alaska State Legislature

House of Representatives

Representative Mike Szymanski

11920 Johns Road
Anchorage, Alaska 99515
Phone (907) 349-3373

While in Session:
Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4978/4979

March 20, 1985

To: Rep. Al Adams, Chairman
House Finance Committee

From: Rep. Mike Szymanski *Mike*

Re: Background/Intent of HB 186 - Anchorage Coastal Wildlife Refuge

In 1971 the Alaska State Legislature created Potter Point State Game Refuge (AS 16.20.030 (b)) which extends southeasterly along the coastline of Anchorage from Pt. Campbell to Potter Creek. Providing easily accessible wildlife viewing opportunities, this urban refuge provides an opportunity for enjoyment by city residents and enhances the Anchorage economy through its value as a tourist attraction.

In June 1983, the Municipality of Anchorage (MOA) established the Potter Marsh Task Force to address management problems that were developing both within and around the refuge, and to subsequently make recommendations for action. This legislation is one of the task force's recommendations for improving management of the refuge, and it is fully endorsed by the MOA, Alaska Department of Fish and Game (ADF&G), Alaska Department of Natural Resources (DNR), and interested public members.

HB 186 would:

1) Rename Potter Point State Game Refuge the "Anchorage Coastal Wildlife Refuge".

Section 1, AS 16.20.031 (a) would establish the Anchorage Coastal Wildlife Refuge to be managed for the protection of waterfowl, shore birds, salmon, and other fish and wildlife species, and their habitat and for the use and enjoyment of the people of the state. Section 3 repeals AS 16.20.030 (b) which is the existing statute establishing the Potter Point State Game Refuge. This new name more accurately reflects the refuge's location and relation to the city of Anchorage.

2) Provide a precise legal description, in surveyable section lines, of the boundaries of the state-owned land and water included in the refuge.

The 1971 legislation reads, "The following described state-owned land and adjacent state water, excluding existing and applied-for highway, pipelines and railway rights-of-way as of May 20, 1971, are established as the Potter Point State Game Refuge: All land and water south and west of and adjacent to

the toe of the bluff which extends from Campbell Point southeasterly to Potter Creek." This language does not define any real or measurable limit as to how far the refuge boundary extends seaward, and the inland boundary is open to wide interpretation. Many times this has resulted in confusion for state agencies, private development interests, and the general public. Therefore HB 186 in Section 1, subsections (1) through (7) describes in detail the legal refuge boundaries.

3) Add additional tidelands and near shore upland to the existing refuge.

The MOA has asked that refuge boundaries be expanded northward from Pt. Campbell to Pt. Woronzof to include municipally owned wetlands within the refuge for management by ADF&G. In 1979, under the Anchorage Coastal Zone Management Plan, these lands were identified as Areas Meriting Special Attention and classified as Preservation Wetlands. Inclusion of these lands within the refuge does not afford them any more protection than they already have under the preservation status, but would facilitate the uniform management of Anchorage's coastal lands. The new boundaries (described in Section 1, subsections (1) through (7)) were cooperatively drawn by the MOA, ADF&G, and DNR.

4) Restrict the state and municipality from acquiring property by eminent domain for inclusion within the refuge.

This would protect private property owners by requiring that property to be included within the Anchorage Coastal Wildlife Refuge be acquired through purchase, exchange, or otherwise (Section 1, (e)), and acquisition by eminent domain is prohibited.

5) Provide for management of the refuge by ADF&G and DNR.

Section 1 (b) provides that, as in the past, both ADF&G and DNR would exercise their respective authorities over the refuge, except as provided in Section 1 (c). Management of the Anchorage Coastal Wildlife Refuge will be consistent with a management plan prepared by the ADF&G under AS 16.20.040 - 16.20.060. The plan will be completed within one year of the effective date of this Act (Section 2).

The management plan prepared by ADF&G shall recommend a corridor for transportation and utilities between Fire Island and the Anchorage mainland (Section 1 (c)). This is to ensure access to the island's landowners for future development and would also be of economic benefit to the MOA.

While the land and water areas of the Anchorage Coastal Wildlife Refuge are closed to mineral entry under AS 38.05.185 - 38.05.275, the boundary extension north of Pt. Campbell was drawn so that all previously issued offshore mining permits were excluded from within the refuge. Oil and gas leasing will not be affected (Section 1 (f)) by this legislation.

Julie
[Signature]

APPROVED
Date: 2-19-85

Submitted by: Assemblywoman Angvik
Prepared by: Department of Property
and Facility Management
For reading: February 19, 1985

ANCHORAGE, ALASKA
AR NO. 85-42

A RESOLUTION RECOMMENDING ENACTMENT OF SENATE BILL NO. 19 CREATING THE ANCHORAGE COASTAL STATE WILDLIFE REFUGE

WHEREAS, the existing Potter Point State Game Refuge which extends from Potter Point to Point Campbell including Potter Marsh ensures the protection of habitat for waterfowl, shorebirds and other fish and wildlife species on tidelands and coastal wetlands along Turnagain Arm; and

WHEREAS, the Potter Point State Game Refuge provides an extraordinary opportunity for tourists and Anchorage residents to view and otherwise enjoy coastal wildlife in a natural setting; and

WHEREAS, the Municipality is building the Coastal Trail to enhance public access from built-up portions of Anchorage to its coastline and open spaces along Cook Inlet; and

WHEREAS, the Assembly in 1979 approved the Anchorage Coastal Management Plan which provides that the coastal wetlands between Point Woronzof and Point Campbell shall be classified as an "Area Meriting Special Attention" (AMSA); and

WHEREAS, the Pt. Woronzof-Pt. Campbell Wetlands Master Plan, a 1982 element of the Anchorage Coastal Management Plan, recommends that the lands within the AMSA should be made part of the Potter Point State Game Refuge; and

WHEREAS, the Administration has worked with the State Departments of Natural Resources and Fish and Game to prepare legislation effecting the inclusion of State lands below the bluff between Point Woronzof and Point Campbell in the renamed Anchorage Coastal State Wildlife Refuge; and

WHEREAS, a bill creating the Anchorage Coastal State Wildlife Refuge has been introduced in the Legislature this year as Senate Bill No. 19.

NOW, THEREFORE, THE ANCHORAGE ASSEMBLY RESOLVES:

Section 1. The Anchorage Municipal Assembly recommends prompt enactment of Senate Bill No. 19, which expands the Potter Point State Game Refuge to include tidelands and near shore upland between Point Woronzof and Point Campbell and renames the refuge as Anchorage Coastal State Wildlife Refuge.

Section 2. Copies of this resolution shall be distributed to the Governor and all members of the State Legislature.

Dave



ANCHORAGE
Audubon Society, Inc.
ALASKA CHAPTER OF NATIONAL AUDUBON SOCIETY

Thede Tobish—President
Anchorage Audubon Society

25 February 1985

Post Office Box 101161
Anchorage, Alaska
99510

Representatives Adelaide Herrmann and Richard Shultz
Co-Chairmen--House Resources Committee
Pouch v
Juneau, Alaska 99811

Dear Representatives Herrmann and Shultz and members of the Resources Comm.;

As president of the 1410 member Anchorage Audubon Society, I would like to enter Anchorage Audubon's comments on House Bill-186 into the official record with your committee. As you likely know, Anchorage Audubon has been quite active in the history of Potter Refuge, especially in Potter Marsh. We were instrumental in initiating the now successful Potter Marsh Task Force which has worked towards implementation of a management scheme for the marsh. The Task Force joined various agencies and public groups to affect and facilitate data gathering for an operational plan for the marsh now in preparation by A. D. F. and G.

For background to this bill it is useful to outline the importance of the refuge to the peoples of Anchorage. The interesting and valuable Potter Marsh User Survey compiled by the Habitat Division of ADF and G, documented the heavy and consistent use of the Potter Marsh, south end of the refuge by Anchorage residents and visitors. This is predominantly an urban refuge. The Anchorage Coastal Wildlife Refuge is unique in the state's system because of its user definition and location within the center of Alaska's largest population and its related pressures. The future of this refuge area as a resource for its principal users, the Anchorage public, depends on the maintainance of the integrity of its unique tracts of undisturbed habitat. Thus the timely introduction of this bill for protection and proper management mandate.

Anchorage Audubon strongly supports the wording of HB-186 as currently presented. We feel it imperative to specify that the managing agency be required to finish and commence implementation of the refuge operational/management plan within one year of passage of this legislation.

Anchorage Audubon would like to thank you for accepting our comments into the record on HB-186. We encourage adoption of this bill. This unique refuge should serve as a model for future urban refuges in Alaska.

Thank you for your support and considerations.

Sincerely, *Thede Tobish*
Thede Tobish

League of Women Voters of Alaska

9151 Skywood Lane
Juneau, Alaska 99801
February 26, 1985

The Honorable Adelheid Herrmann, Co-Chairman
The Honorable Richard Shultz, Co-Chairman
House Resources Committee
Alaska Legislature
Pouch V
Juneau, Alaska 99811

Re: HB 186: Anchorage Coastal Wildlife Refuge

Dear Representatives Herrmann and Shultz:

The League of Women Voters of Alaska supports HB 186, creating the Anchorage Coastal Wildlife Refuge. We think the bill, as presently structured, sets aside and protects a unique area that is de facto critical habitat for a large population of water fowl and other wildlife, and which should be preserved in its natural state for the protection of the wildlife and the enjoyment of people who wish to view the wildlife.

Speaking from personal experience, when I first arrived in Alaska eight years ago, during my first week as an Anchorage resident, one the most memorable experiences for myself and my small daughter was a visit to the area of the proposed refuge, where we spent several hours enjoying the viewing of a wide variety of water fowl (including their young). The availability of such an experience is especially important in a location close to a large population center such as Anchorage, where it can be enjoyed by many people, including children. The protection and wise management of that area is an important step toward preserving the kind of experiences that attracted most of us to become Alaskans.

Thank you for considering our views.

Sincerely,



Elizabeth Cuadra, Board Member
(Natural Resources Portfolio)

DEC:sd

cc: Committee Members (Wallis, Sund, Thompson, M. W. Miller,
Cato, Pearce, and Jenkins)
Sponsors (Szymanski and Clocksin)

Introduced: 2/11/85
Referred: Resources and
Finance

1 IN THE HOUSE

BY SZYMANSKI AND CLOCKSIN

2 HOUSE BILL NO. 186

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEFNTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating the Anchorage Coastal Wildlife
7 Refuge."

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

9 * Section 1. AS 16.20 is amended by adding a new section to read:

10 Sec. 16.20.031. ANCHORAGE COASTAL WILDLIFE REFUGE. (a) The
11 following described state-owned land and water is established as the
12 Anchorage Coastal Wildlife Refuge and shall be managed for the pro-
13 tection of waterfowl, shorebirds, salmon, and other fish and wildlife
14 species, and their habitat and for the use and enjoyment of the people
15 of the state:

16 (1) Township 13 North, Range 4 West, Seward Meridian

17 Section 20: SE 1/4 seaward of the 20 foot elevation
18 contour

19 SE 1/4 NE 1/4 seaward of the 20 foot elevation con-
20 tour

21 Section 29: E 1/2 seaward of the 20 foot elevation
22 contour

23 SW 1/4 seaward of the 20 foot elevation contour

24 Section 30: SE 1/4 SE 1/4

25 Section 31: All seaward of the 20 foot elevation
26 contour except NW 1/4 NW 1/4

27 Section 32: All seaward of the 20 foot elevation
28 contour

29 (2) Township 13 North, Range 5 West, Seward Meridian

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Section 36: S 1/2
S 1/2 N 1/2

(3) Township 12 North, Range 4 West, Seward Meridian
Sections 6 - 9: Seaward of the 20 foot elevation
contour

Section 15: NW 1/4 seaward of the 20 foot elevation
contour

SW 1/4 NE 1/4 seaward of the 20 foot elevation
contour

Government Lot 5 and the remainder of the W 1/2 SE
1/4, all
SW 1/4

Section 16: Seaward of the 20 foot elevation contour
Sections 17 - 22

Section 23: Government Lot 1 and the remainder of the
SW 1/4, all seaward of the 20 foot elevation contour
Government Lot 2 and the remainder of the S 1/2 NW
1/4, all seaward of the 20 foot elevation contour
Government Lots 3 and 4, and the remainder of the SE
1/4, all seaward of the 20 foot elevation contour

Section 24: Tract A, Shorecrest Subdivision (Plat No.
81-68, Anchorage Recording District)

Section 25: Government Lots 1 and 2, and the remainder
of the W 1/2, all

Tract A, Johns Park Estates, and the remainder of the
NE 1/4, excluding Skyway Park Estates, Addition No. 1
all seaward of the 20 foot elevation contour Govern-
ment Lots 3 and 4, and the remainder of the SE 1/4,
all

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Sections 26 - 36

(4) Township 12 North, Range 5 West, Seward Meridian

Sections 1 - 2

Sections 11 - 14

Sections 23 - 26

Sections 35 - 36

(5) Township 12 North, Range 3 West, Seward Meridian

Section 29: That portion of the SW 1/4 southwesterly of the Alaska Railroad right-of-way and southerly of Oceanview Subdivision, Addition No. 6

Section 30: That portion of Tract A, Johns Park Estates, seaward of the 20 foot elevation contour Government Lot 2 and that portion of the SE 1/4 NW 1/4 southwesterly of Oceanview West Subdivision, Addition No. 1

Government Lots 3 and 4 and the remainder of the SW 1/4, all

That portion of the SW 1/4 NE 1/4 and the SE 1/4 southwesterly of Oceanview Subdivision, Addition No. 4 and Addition No. 6

Section 31

Section 32: All lands southwesterly of the Alaska Railroad right-of-way

Section 33: All lands westerly of the Alaska Railroad right-of-way

(6) Township 11 North, Range 3 West, Seward Meridian

Section 3: Government Lot 5

Section 4: That portion southwesterly of the Old Seward Highway right-of-way and The Landings

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Subdivision which is northeasterly of the New Seward Highway right-of-way

That portion southwesterly of the Alaska Railroad right-of-way

Sections 5 - 8

Section 9: That portion southwesterly of the Alaska Railroad right-of-way

That portion northeasterly of the New Seward Highway right-of-way

Section 10: That portion westerly of the Old Seward Highway right-of-way which is northeasterly of the New Seward Highway right-of-way

That portion southwesterly of the Alaska Railroad right-of-way

(7) Township 11 North, Range 4 West, Seward Meridian

Sections 1 - 4

Sections 10 - 12

(b) Except as provided in (c) of this section, the Department of Fish and Game and the Department of Natural Resources shall exercise their respective authorities over the Anchorage Coastal Wildlife Refuge consistent with a management plan prepared by the Department of Fish and Game under AS 16.20.040 - 16.20.060.

(c) Land owned by the Municipality of Anchorage that lies within the boundary of the Anchorage Coastal Wildlife Refuge described in (a) of this section may be included in the Anchorage Coastal Wildlife Refuge. An agreement between the Department of Fish and Game and the Municipality of Anchorage for the management of the land within the Anchorage Coastal Wildlife Refuge that is owned by the Municipality of Anchorage shall be approved by the Municipality of Anchorage and by

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the Department of Fish and Game.

(d) If state law permits a use or activity on land within state game refuges that is not permitted on the land owned by the Municipality of Anchorage, the use or activity is not permitted on the land owned by the Municipality of Anchorage within the Anchorage Coastal Wildlife Refuge.

(e) The state or the Municipality of Anchorage may not acquire privately owned land within the Anchorage Coastal Wildlife Refuge described in (a) of this section by eminent domain for inclusion within the Anchorage Coastal Wildlife Refuge. The Department of Fish and Game or the Municipality of Anchorage may acquire privately owned land within the Anchorage Coastal Wildlife Refuge by purchase, exchange, or otherwise except by eminent domain.

(f) The land and water areas of the Anchorage Coastal Wildlife Refuge are closed to mineral entry under AS 38.05.185 - 38.05.275.

* Sec. 2. The initial management plan prepared under AS 16.20.031(b) as enacted in sec. 1 of this Act shall be completed within one year of the effective date of this Act.

* Sec. 3. AS 16.20.030(b) is repealed.

COMMITTEE REPORT

HOUSE

(11)

FURTHER:

4/11/85

Date: _____

The Committee on FINANCE has had HB 190

"An Act relating to senior citizen housing; and providing for an effective date."

under consideration and recommends:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
 Zero Fiscal Note Attached
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

COMMITTEE REPORT

HOUSE

4/11

FINANCE

(7)

FURTHER:

2/13/85

Date: _____

COMMUNITY & REGIONAL AFFAIRS

The Committee on _____ has had HB 190

"An Act relating to senior citizen housing; and providing for an effective date."

under consideration and recommends:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 190 (C+RA) same title
- and recommends _____ new title
- AND attaches a "Letter of Intent" New Fiscal Note *Sup 46*
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

W. Koponen

Peter Jace

MEMBERS HAVING
OTHER RECOMMENDATIONS:

McCoy J. Guenkey No rec.

F. Kay Wallis No Rec

ROSE J. ... No Rec.

W. J. ... NO Rec

Peter Jace

CHAIRMAN

Offered: 4/11/85
Referred: Finance

Levy

Original sponsors: M.M. Miller, Duncan,
Goll, et al

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 190 (C&RA)

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 senior citizen housing; and
7 providing for an effective date."

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

9 * Section 1. AS 44.47.610 is repealed and reenacted to read:

10 Sec. 44.47.610. PURPOSE. There exists in the state a serious
11 shortage of available and affordable residential housing designed to
12 meet the special needs of Alaska's senior citizens. It is the purpose
13 of AS 44.47.610 - 44.47.626 to use both private and public resources
14 to provide a full range of housing opportunities and services for all
15 older Alaskans regardless of income. It is also the purpose of
16 AS 44.47.610 - 44.47.626 to emphasize alternatives to institutional-
17 zation, to support individual dignity and independence, and to assist
18 senior citizens in remaining in their own homes for as long as is
19 desirable and appropriate.

20 * Sec. 2. AS 44.47.620 is amended to read:

21 Sec. 44.47.620. OLDER ALASKANS' [SENIOR CITIZENS] HOUSING
22 DEVELOPMENT FUND. (a) There is created in the department, as a
23 revolving fund, an older Alaskans' [A SENIOR CITIZENS] housing devel-
24 opment fund. Subject to direct appropriation or through proceeds of a
25 bond issue the division [DEPARTMENT] shall make loans to businesses
26 and corporations considered eligible under standards established by
27 the division and make grants to municipalities or public or private
28 nonprofit corporations designated as tax exempt under 26 U.S.C.
29 501(c)(3) and (4) (Internal Revenue Code of 1954) for the purpose of

1 developing senior citizen housing. A grant from the proceeds of a
2 bond issue may be made only to municipalities.

3 (b) Application for a loan or grant under (a) of this section
4 shall be in the form prescribed by the division [DEPARTMENT]. The
5 application shall demonstrate the need for senior citizen housing in
6 the area to be served, the feasibility of the proposed project, and an
7 adequate management plan that shall demonstrate the ability of the
8 eligible recipient to sustain the proposed project.

9 (c) All grant projects under this section shall be in accordance
10 with facility procurement policies developed under AS 35.10.160 -
11 35.10.200 and are public facilities under those sections. Loan proj-
12 ects are not subject to facility procurement policies developed under
13 AS 35.10.160 - 35.10.200.

14 (d) The division [DEPARTMENT] shall adopt regulations to carry
15 out the purposes of this section. The provisions of the Administra-
16 tive Procedure Act (AS 44.62) apply to regulations adopted under this
17 section.

18 [(e) IN THIS SECTION "SENIOR CITIZEN HOUSING" MEANS A SPECIFIC
19 WORK OR IMPROVEMENT UNDERTAKEN PRIMARILY TO PROVIDE DWELLING ACCOMMO-
20 DATIONS FOR PERSONS 60 YEARS OF AGE OR OLDER, INCLUDING BUT NOT LIMIT-
21 ED TO CONVENTIONAL HOUSING, HOUSING FOR THE FRAIL ELDERLY; GROUP
22 HOMES, CONGREGATE HOUSING, AND OTHER HOUSING THAT MEETS SPECIAL NEEDS
23 OF THE ELDERLY; SENIOR CITIZEN HOUSING INCLUDES THE ACQUISITION,
24 CONSTRUCTION, OR REHABILITATION OF LAND, BUILDINGS, IMPROVEMENTS, AND
25 OTHER NONHOUSING FACILITIES THAT ARE INCIDENTAL OR APPURTENANT TO THE
26 HOUSING.]

27 * Sec. 3. AS 44.47 is amended by adding new sections to read:

28 Sec. 44.47.622. OLDER ALASKANS' HOUSING LOAN PROGRAM. (a) The
29 division may use funds in the older Alaskans' housing development fund

1 to make interest free loans for the development of senior citizen
2 housing to individuals and corporations considered eligible under
3 standards established by the division.

4 (b) A loan made from the older Alaskans' housing development
5 fund may not exceed 50 percent of the lesser of the actual cost or the
6 appraised value of the project and shall

7 (1) be made interest free, provided that the loan contract
8 shall provide for equity participation by the state in proportion to
9 the relationship between the loan amount and total cost of the proj-
10 ect;

11 (2) be repaid in a period of 25 years, or upon sale of the
12 property by the borrower, whichever is sooner, except that the divi-
13 sion may make the loan assumable;

14 (3) provide in the loan contract that, for rental projects,
15 rents may be raised only once annually and the increase may not be
16 greater than the increase in the Anchorage consumer price index for
17 all urban consumers for the same year;

18 (4) provide in the loan contract that, for a project con-
19 sisting of five or more units, at least 20 percent of the units must
20 be reserved for low income senior citizens.

21 (c) A loan made from the older Alaskans' housing development
22 fund may be subordinated to a first deed of trust held by an author-
23 ized financial institution.

24 Sec. 44.47.626. DEFINITIONS. In AS 44.47.610 - 44.47.626

25 (1) "division" means the division of housing assistance
26 established under AS 44.47.360;

27 (2) "equity participation" means an interest in the value
28 of the appreciation of the project;

29 (3) "senior citizen housing" means a specific work or

1 improvement undertaken primarily to provide dwelling accommodations
2 for persons 60 years of age or older, including conventional housing,
3 housing for the frail elderly, group homes, congregate housing, other
4 housing that meets special needs of the elderly, and adaptation of
5 existing owner-occupied or rental senior citizen residential units to
6 incorporate gerontological features; senior citizen housing includes
7 the acquisition, construction, or rehabilitation of land, buildings,
8 improvements, and other nonhousing facilities that are incidental or
9 appurtenant to the housing.

10 * Sec. 4. This Act takes effect January 1, 1986.
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Introduced: 2/13/85
Referred: Community & Regional
Affairs and Finance

Levy
0571

1 IN THE HOUSE

BY M.M. MILLER, DUNCAN, GOLL,
BOUCHER, GRUSSENDORF, KOPONEN,
AND SUND

2 HOUSE BILL NO. 190

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 senior citizen housing; and
7 providing for an effective date."

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

9 * Section 1. AS 44.47 is amended by adding a new section to article 10
10 to read:

11 Sec. 44.47.605. OFFICE OF SENIOR HOUSING. The office of senior
12 housing is established within the Department of Community and Regional
13 Affairs, division of housing assistance.

14 * Sec. 2. AS 44.47.610 is repealed and reenacted to read:

15 Sec. 44.47.610. PURPOSE. There exists in the state a serious
16 shortage of available and affordable residential housing designed to
17 meet the special needs of Alaska's senior citizens. It is the purpose
18 of the office to use both private and public resources to provide a
19 full range of housing opportunities and services for all older
20 Alaskans regardless of income. It is also the purpose of the office
21 to emphasize alternatives to institutionalization, to support indi-
22 vidual dignity and independence, and to assist senior citizens in
23 remaining in their own homes for as long as is desirable and appropri-
24 ate.

25 * Sec. 3. AS 44.47 is amended by adding a new section to read:

26 Sec. 44.47.615. DUTIES OF THE OFFICE. The office shall

27 (1) provide information and assistance relating to senior
28 citizen housing to state agencies, senior citizens' organizations,
29 individual senior citizens, and other interested people;

1 (2) compile and regularly update an information system
2 including

3 (A) an inventory of senior citizen housing projects in
4 the state;

5 (B) published manuals describing materials and tech-
6 niques for the design and construction of senior citizen housing;

7 (C) a set of blueprints describing senior citizen home
8 improvements;

9 (D) a directory of in-home supportive services for
10 senior citizens;

11 (E) a description of federal senior citizen housing
12 assistance;

13 (F) research and literature on new approaches to
14 senior citizen housing;

15 (3) administer the older Alaskans' housing development
16 fund; and

17 (4) make an annual report to the Older Alaskans' Commission
18 (AS 44.21.200) and the legislature of the activities of the office.

19 * Sec. 4. AS 44.47.620 is amended to read:

20 Sec. 44.47.620. OLDER ALASKANS' [SENIOR CITIZENS] HOUSING
21 DEVELOPMENT FUND. (a) There is created in the department, as a
22 revolving fund, an older Alaskans' [A SENIOR CITIZENS] housing devel-
23 opment fund. Subject to direct appropriation or through proceeds of a
24 bond issue the department shall make loans to individuals and corpo-
25 rations considered eligible under standards established by the office
26 and make grants to municipalities or public or private nonprofit
27 corporations designated as tax exempt under 26 U.S.C. 501(c)(3) and
28 (4) (Internal Revenue Code of 1954) for the purpose of developing
29 senior citizen housing. A grant from the proceeds of a bond issue may

1 be made only to municipalities.

2 (b) Application for a loan or grant under (a) of this section
3 shall be in the form prescribed by the office [DEPARTMENT]. The
4 application shall demonstrate the need for senior citizen housing in
5 the area to be served, the feasibility of the proposed project, and an
6 adequate management plan that shall demonstrate the ability of the
7 eligible recipient to sustain the proposed project.

8 (c) All grant projects under this section shall be in accordance
9 with facility procurement policies developed under AS 35.10.160 -
10 35.10.200 and are public facilities under those sections. Loan proj-
11 ects are not subject to facility procurement policies developed under
12 AS 35.10.160 - 35.10.200.

13 (d) The office [DEPARTMENT] shall adopt regulations to carry out
14 the purposes of this section. The provisions of the Administrative
15 Procedure Act (AS 44.62) apply to regulations adopted under this
16 section.

17 [(e) IN THIS SECTION "SENIOR CITIZEN HOUSING" MEANS A SPECIFIC
18 WORK OR IMPROVEMENT UNDERTAKEN PRIMARILY TO PROVIDE DWELLING ACCOMMO-
19 DATIONS FOR PERSONS 60 YEARS OF AGE OR OLDER, INCLUDING BUT NOT LIMIT-
20 ED TO CONVENTIONAL HOUSING, HOUSING FOR THE FRAIL ELDERLY; GROUP
21 HOMES, CONGREGATE HOUSING, AND OTHER HOUSING THAT MEETS SPECIAL NEEDS
22 OF THE ELDERLY; SENIOR CITIZEN HOUSING INCLUDES THE ACQUISITION,
23 CONSTRUCTION, OR REHABILITATION OF LAND, BUILDINGS, IMPROVEMENTS, AND
24 OTHER NONHOUSING FACILITIES THAT ARE INCIDENTAL OR APPURTENANT TO THE
25 HOUSING.]

26 * Sec. 5. AS 44.47 is amended by adding new sections to read:

27 Sec. 44.47.622. OLDER ALASKANS' HOUSING LOAN PROGRAM. (a) The
28 office may use funds in the older Alaskans' housing development fund
29 to make interest free loans for the development of senior citizen

1 housing to individuals and corporations considered eligible under
2 standards established by the office.

3 (b) A loan made from the older Alaskans' housing development
4 fund may not exceed 50 percent of the lesser of the actual cost or the
5 appraised value of the project and shall

6 (1) be made interest free, provided that the loan contract
7 shall provide for equity participation by the state in proportion to
8 the relationship between the loan amount and total cost of the proj-
9 ect;

10 (2) be repaid in a period of 25 years, or upon sale of the
11 property by the borrower, whichever is sooner, except that the office
12 may make the loan assumable;

13 (3) provide in the loan contract that, for rental projects,
14 rents may be raised only once annually and the increase may not be
15 greater than the increase in the Anchorage consumer price index for
16 all urban consumers for the same year;

17 (4) provide in the loan contract that, for a project con-
18 sisting of five or more units, at least 20 percent of the units must
19 be reserved for low income senior citizens.

20 (c) A loan made from the older Alaskans' housing development
21 fund may be subordinated to a first deed of trust held by an author-
22 ized financial institution.

23 Sec. 44.47.626. DEFINITIONS. In AS 44.47.600 - 44.47.626

24 (1) "office" means the office of senior housing;

25 (2) "senior citizen housing" means a specific work or
26 improvement undertaken primarily to provide dwelling accommodations
27 for persons 60 years of age or older, including conventional housing,
28 housing for the frail elderly, group homes, congregate housing, and
29 other housing that meets special needs of the elderly; senior citizen

1 housing includes the acquisition, construction, or rehabilitation of
2 land, buildings, improvements, and other nonhousing facilities that
3 are incidental or appurtenant to the housing.

4 * Sec. 6. This Act takes effect immediately in accordance with AS 01.-
5 10.070(c).
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STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

Page 1 of 2

REQUEST

Bill/Resolution No.: CSHB 190(CRA)
Title: Senior Citizen Housing

FISCAL DETAIL

Agency Affected: Community & Regional Affairs

Program Category Affected: Economic Development

Sponsor: M.M. Miller, Duncan, Goll

Requestor: C&RA Committee

Date of Request: April 9, 1985

BRU, Program or Subprogram(s) Affected: Housing Construction Development

Component _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES		78.1	82.7	87.6	92.8	98.3
200 TRAVEL		5.0	6.0	6.0	7.0	7.0
300 CONTRACTUAL		17.0	15.0	15.0	15.0	15.0
400 SUPPLIES		1.0	1.0	1.0	1.0	1.0
500 EQUIPMENT		8.3	1.0	1.0	1.0	1.0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		109.4	105.7	110.6	116.8	122.3

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		109.4	105.7	110.6	116.8	122.3
FEDERAL FUNDS						
OTHER						
TOTAL		109.4	105.7	110.6	116.8	122.3

POSITIONS:

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
FULL-TIME		2	2	2	2	2
PART-TIME		0	0	0	0	0
TEMPORARY		0	0	0	0	0

ANALYSIS: Attach a separate page if necessary

This proposed legislation would create an Older Alaskans Housing Development Fund which would be a revolving fund for loans and grants for senior citizen housing. One major assumption we are making is that because only a part of the funding will be used for zero interest loans, and these loans are 25 year loans with no (see attached)

Prepared By: Clark D. Boston
Division: Housing Assistance Division

Phone: 561-0900

Date: 4/9/85

Approved by Commissioner: Emil [Signature]
Agency: Community & Regional Affairs

Date: 4/10/85

Distribution (by Agency preparing fiscal note):

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

7/1/84

*22-
sup 46*

repayment until the loan term is reached or upon resale, the fund is not and never will be totally revolving in nature. Also, the revenue generated by the "shared equity" provisions of the bill will not be retained in the fund, but will be required to be returned to the general fund. Based on these assumptions, the funding for the additional positions and other expenses will be from the general fund.

To implement the new program \$17,000 contractual amount required for the development of regulations, public hearings, advertising the regulation changes, and advertising the availability of grants and loans for the new program.

Section 2 of the bill establishes a revolving fund for loans and grants for senior citizen housing. Because of the nature of a revolving fund, there will be required an additional Accounting Tech I position, required to establish and accomplish the accounting requirements of this revolving fund. Also, a new position of Grant Administrator, Range 17 will be required to administer the grants and loans under this revolving fund. These two positions will be under the supervision of an existing position.

In summary, the new positions required for this new program are:

Grant Administrator	- Range 17
Accounting Tech I	- Range 12

The request for new position forms are attached to this fiscal note.

COMMITTEE COPY.

ALASKA STATE LEGISLATURE	
14th... Legislature	FIRST... Session
HOUSE BILL	NO. 190
By M. M. MILLER, DUNCAN, GOLL, BOUCHER, GRÜSSENDORF, KOPONEN, SUND	
"An Act relating to senior citizen housing; and providing for an effective date."	
Snr. Citizen Housing	
Introduced in the House 2/13....., 19.85	

HISTORY IN THE HOUSE																													
19 85	Read first time and referred to Committee on C&RA AND FINANCE																												
Feb. 13	Reported back with recommendation that																												
	Read second time and																												
	Read third time and																												
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19	Read first time and referred to Committee on																												
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HISTORY IN THE HOUSE	
19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor by Governor
	Filed with Lt. Governor
	Chapter No.

Offered: 4/11/85
Referred: Finance

Original sponsors: M.M. Miller, Duncan,
Goll, et al

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2

CS FOR HOUSE BILL NO. 190 (C&RA)

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 senior citizen housing; and
7 providing for an effective date."

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

9 * Section 1. AS 44.47.610 is repealed and reenacted to read:

10 Sec. 44.47.610. PURPOSE. There exists in the state a serious
11 shortage of available and affordable residential housing designed to
12 meet the special needs of Alaska's senior citizens. It is the purpose
13 of AS 44.47.610 - 44.47.626 to use both private and public resources
14 to provide a full range of housing opportunities and services for all
15 older Alaskans regardless of income. It is also the purpose of
16 AS 44.47.610 - 44.47.626 to emphasize alternatives to institutional-
17 ization, to support individual dignity and independence, and to assist
18 senior citizens in remaining in their own homes for as long as is
19 desirable and appropriate.

20 * Sec. 2. AS 44.47.620 is amended to read:

21 Sec. 44.47.620. OLDER ALASKANS' [SENIOR CITIZENS] HOUSING
22 DEVELOPMENT FUND. (a) There is created in the department, as a
23 revolving fund, an older Alaskans' [A SENIOR CITIZENS] housing devel-
24 opment fund. Subject to direct appropriation or through proceeds of a
25 bond issue the division [DEPARTMENT] shall make loans to businesses
26 and corporations considered eligible under standards established by
27 the division and make grants to municipalities or public or private
28 nonprofit corporations designated as tax exempt under 26 U.S.C.
29 501(c)(3) and (4) (Internal Revenue Code of 1954) for the purpose of

1 developing senior citizen housing. A grant from the proceeds of a
2 bond issue may be made only to municipalities.

3 (b) Application for a loan or grant under (a) of this section
4 shall be in the form prescribed by the division [DEPARTMENT]. The
5 application shall demonstrate the need for senior citizen housing in
6 the area to be served, the feasibility of the proposed project, and an
7 adequate management plan that shall demonstrate the ability of the
8 eligible recipient to sustain the proposed project.

9 (c) All grant projects under this section shall be in accordance
10 with facility procurement policies developed under AS 35.10.160 -
11 35.10.200 and are public facilities under those sections. Loan proj-
12 ects are not subject to facility procurement policies developed under
13 AS 35.10.160 - 35.10.200.

14 (d) The division [DEPARTMENT] shall adopt regulations to carry
15 out the purposes of this section. The provisions of the Administra-
16 tive Procedure Act (AS 44.62) apply to regulations adopted under this
17 section.

18 [(e) IN THIS SECTION "SENIOR CITIZEN HOUSING" MEANS A SPECIFIC
19 WORK OR IMPROVEMENT UNDERTAKEN PRIMARILY TO PROVIDE DWELLING ACCOMMO-
20 DATIONS FOR PERSONS 60 YEARS OF AGE OR OLDER, INCLUDING BUT NOT LIMIT-
21 ED TO CONVENTIONAL HOUSING, HOUSING FOR THE FPAIL ELDERLY; GROUP
22 HOMES, CONGREGATE HOUSING, AND OTHER HOUSING THAT MEETS SPECIAL NEEDS
23 OF THE ELDERLY; SENIOR CITIZEN HOUSING INCLUDES THE ACQUISITION,
24 CONSTRUCTION, OR REHABILITATION OF LAND, BUILDINGS, IMPROVEMENTS, AND
25 OTHER NONHOUSING FACILITIES THAT ARE INCIDENTAL OR APPURTENANT TO THE
26 HOUSING.]

27 * Sec. 3. AS 44.47 is amended by adding new sections to read:

28 Sec. 44.47.622. OLDER ALASKANS' HOUSING LOAN PROGRAM. (a) The
29 division may use funds in the older Alaskans' housing development fund

1 to make interest free loans for the development of senior citizen
2 housing to individuals and corporations considered eligible under
3 standards established by the division.

4 (b) A loan made from the older Alaskans' housing development
5 fund may not exceed 50 percent of the lesser of the actual cost or the
6 appraised value of the project and shall

7 (1) be made interest free, provided that the loan contract
8 shall provide for equity participation by the state in proportion to
9 the relationship between the loan amount and total cost of the proj-
10 ect;

11 (2) be repaid in a period of 25 years, or upon sale of the
12 property by the borrower, whichever is sooner, except that the divi-
13 sion may make the loan assumable;

14 (3) provide in the loan contract that, for rental projects,
15 rents may be raised only once annually and the increase may not be
16 greater than the increase in the Anchorage consumer price index for
17 all urban consumers for the same year;

18 (4) provide in the loan contract that, for a project con-
19 sisting of five or more units, at least 20 percent of the units must
20 be reserved for low income senior citizens.

21 (c) A loan made from the older Alaskans' housing development
22 fund may be subordinated to a first deed of trust held by an author-
23 ized financial institution.

24 Sec. 44.47.626. DEFINITIONS. In AS 44.47.610 - 44.47.626

25 (1) "division" means the division of housing assistance
26 established under AS 44.47.360;

27 (2) "equity participation" means an interest in the value
28 of the appreciation of the project;

29 (3) "senior citizen housing" means a specific work or

1 improvement undertaken primarily to provide dwelling accommodations
2 for persons 60 years of age or older, including conventional housing,
3 housing for the frail elderly, group homes, congregate housing, other
4 housing that meets special needs of the elderly, and adaptation of
5 existing owner-occupied or rental senior citizen residential units to
6 incorporate gerontological features; senior citizen housing includes
7 the acquisition, construction, or rehabilitation of land, buildings,
8 improvements, and other nonhousing facilities that are incidental or
9 appurtenant to the housing.

10 * Sec. 4. This Act takes effect January 1, 1986.

Introduced: 2/13/85
Referred: Community & Regional
Affairs and Finance

BY M.M. MILLER, DUNCAN, GOLL,
BOUCHER, GRUSSENDORF, KOPONEN
AND SUND

1 IN THE HOUSE

2 HOUSE BILL NO. 190

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 senior citizen housing; and
7 providing for an effective date."

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

9 * Section 1. AS 44.47 is amended by adding a new section to article 10
10 to read:

11 Sec. 44.47.605. OFFICE OF SENIOR HOUSING. The office of senior
12 housing is established within the Department of Community and Regional
13 Affairs, division of housing assistance.

14 * Sec. 2. AS 44.47.610 is repealed and reenacted to read:

15 Sec. 44.47.610. PURPOSE. There exists in the state a serious
16 shortage of available and affordable residential housing designed to
17 meet the special needs of Alaska's senior citizens. It is the purpose
18 of the office to use both private and public resources to provide a
19 full range of housing opportunities and services for all older
20 Alaskans regardless of income. It is also the purpose of the office
21 to emphasize alternatives to institutionalization, to support indi-
22 vidual dignity and independence, and to assist senior citizens in
23 remaining in their own homes for as long as is desirable and appropri-
24 ate.

25 * Sec. 3. AS 44.47 is amended by adding a new section to read:

26 Sec. 44.47.615. DUTIES OF THE OFFICE. The office shall

27 (1) provide information and assistance relating to senior
28 citizen housing to state agencies, senior citizens' organizations,
29 individual senior citizens, and other interested people;

1 (2) compile and regularly update an information system
2 including

3 (A) an inventory of senior citizen housing projects in
4 the state;

5 (B) published manuals describing materials and tech-
6 niques for the design and construction of senior citizen housing;

7 (C) a set of blueprints describing senior citizen home
8 improvements;

9 (D) a directory of in-home supportive services for
10 senior citizens;

11 (E) a description of federal senior citizen housing
12 assistance;

13 (F) research and literature on new approaches to
14 senior citizen housing;

15 (3) administer the older Alaskans' housing development
16 fund; and

17 (4) make an annual report to the Older Alaskans' Commission
18 (AS 44.21.200) and the legislature of the activities of the office.

19 * Sec. 4. AS 44.47.620 is amended to read:

20 Sec. 44.47.620. OLDER ALASKANS' [SENIOR CITIZENS] HOUSING
21 DEVELOPMENT FUND. (a) There is created in the department, as a
22 revolving fund, an older Alaskans' [A SENIOR CITIZENS] housing devel-
23 opment fund. Subject to direct appropriation or through proceeds of a
24 bond issue the department shall make loans to individuals and corpo-
25 rations considered eligible under standards established by the office
26 and make grants to municipalities or public or private nonprofit
27 corporations designated as tax exempt under 26 U.S.C. 501(c)(3) and
28 (4) (Internal Revenue Code of 1954) for the purpose of developing
29 senior citizen housing. A grant from the proceeds of a bond issue may

1 be made only to municipalities.

2 (b) Application for a loan or grant under (a) of this section
3 shall be in the form prescribed by the office [DEPARTMENT]. The
4 application shall demonstrate the need for senior citizen housing in
5 the area to be served, the feasibility of the proposed project, and an
6 adequate management plan that shall demonstrate the ability of the
7 eligible recipient to sustain the proposed project.

8 (c) All grant projects under this section shall be in accordance
9 with facility procurement policies developed under AS 35.10.160 -
10 35.10.200 and are public facilities under those sections. Loan proj-
11 ects are not subject to facility procurement policies developed under
12 AS 35.10.160 - 35.10.200.

13 (d) The office [DEPARTMENT] shall adopt regulations to carry out
14 the purposes of this section. The provisions of the Administrative
15 Procedure Act (AS 44.62) apply to regulations adopted under this
16 section.

17 [(e) IN THIS SECTION "SENIOR CITIZEN HOUSING" MEANS A SPECIFIC
18 WORK OR IMPROVEMENT UNDERTAKEN PRIMARILY TO PROVIDE DWELLING ACCOMMO-
19 DATIONS FOR PERSONS 60 YEARS OF AGE OR OLDER, INCLUDING BUT NOT LIMIT-
20 ED TO CONVENTIONAL HOUSING, HOUSING FOR THE FRAIL ELDERLY; GROUP
21 HOMES, CONGREGATE HOUSING, AND OTHER HOUSING THAT MEETS SPECIAL NEEDS
22 OF THE ELDERLY; SENIOR CITIZEN HOUSING INCLUDES THE ACQUISITION,
23 CONSTRUCTION, OR REHABILITATION OF LAND, BUILDINGS, IMPROVEMENTS, AND
24 OTHER NONHOUSING FACILITIES THAT ARE INCIDENTAL OR APPURTENANT TO THE
25 HOUSING.]

26 * Sec. 5. AS 44.47 is amended by adding new sections to read:

27 Sec. 44.47.622. OLDER ALASKANS' HOUSING LOAN PROGRAM. (a) The
28 office may use funds in the older Alaskans' housing development fund
29 to make interest free loans for the development of senior citizen

1 housing to individuals and corporations considered eligible under
2 standards established by the office.

3 (b) A loan made from the older Alaskans' housing development
4 fund may not exceed 50 percent of the lesser of the actual cost or the
5 appraised value of the project and shall

6 (1) be made interest free, provided that the loan contract
7 shall provide for equity participation by the state in proportion to
8 the relationship between the loan amount and total cost of the proj-
9 ect;

10 (2) be repaid in a period of 25 years, or upon sale of the
11 property by the borrower, whichever is sooner, except that the office
12 may make the loan assumable;

13 (3) provide in the loan contract that, for rental projects,
14 rents may be raised only once annually and the increase may not be
15 greater than the increase in the Anchorage consumer price index for
16 all urban consumers for the same year;

17 (4) provide in the loan contract that, for a project con-
18 sisting of five or more units, at least 20 percent of the units must
19 be reserved for low income senior citizens.

20 (c) A loan made from the older Alaskans' housing development
21 fund may be subordinated to a first deed of trust held by an author-
22 ized financial institution.

23 Sec. 44.47.626. DEFINITIONS. In AS 44.47.600 - 44.47.626

24 (1) "office" means the office of senior housing;

25 (2) "senior citizen housing" means a specific work or
26 improvement undertaken primarily to provide dwelling accommodations
27 for persons 60 years of age or older, including conventional housing,
28 housing for the frail elderly, group homes, congregate housing, and
29 other housing that meets special needs of the elderly; senior citizen

1 housing includes the acquisition, construction, or rehabilitation of
2 land, buildings, improvements, and other nonhousing facilities that
3 are incidental or appurtenant to the housing.

4 * Sec. 6. This Act takes effect immediately in accordance with AS 01.-
5 10.070(c).

6

7