

Leg. Finance-House & Senate Finance Comte Files (1991-1992) 840

CS FOR SENATE BILL NO. 74 (HES)

AMENDMENT NO. 6

Page 4, Line 14: Delete "\$1,000,000"

Insert "\$500,000"

SPONSOR'S STATEMENT: The maximum lifetime benefit limitation is intended to limit the amount of coverage to be provided to the policyholder over the life of the policy. The lower the limit, the more affordable the policy will be. SB 74 presently requires a lifetime maximum of \$1 million for each individual. Of the 25 states which presently have unisurable risk pools, 15 have a lifetime maximum of \$500,000; six have a maximum of \$250,000; two have a \$1 million maximum; and two have no maximum lifetime benefit. To further make the pool premium more affordable in Alaska, HIAA suggests reducing the policy lifetime maximum to \$500,000.

CS FOR SENATE BILL NO. 74 (HES)

AMENDMENT NO. 7

- Page 6, Line 4: After "of" delete "\$200 a person, \$500 a person, or"
- Page 6, Line 5: After "person" insert "or \$5,000 a person"
- Page 6, Line 9: Delete "\$200 maximum, the \$500 maximum, and the"
After "\$1,000 maximum" insert "or \$5,000 maximum"
- Page 6, Lines 17 and 20: Delete "\$2,000"; insert "\$5,000"

SPONSOR'S STATEMENT: Deductibles are a mechanism to reduce the cost of the insurance policy to the purchaser. Previous legislation on the topic of uninsurable risk pools called for two alternative deductibles: \$1,000 and \$5,000. SB 74 has substantially reduced deductibles of \$200, \$500 and \$1,000. Today the average private sector deductible for standard policies is considerably higher than \$200. In addition, many state uninsurable risk pools have deductibles substantially greater than those proposed in SB 74. No other state has a minimum deductible as low as \$200; only two states have a \$250 minimum, and another is at \$300. Most states (15) offer the lowest deductible at \$500 while six others have a \$1,000 minimum deductible.

Finally, we urge the committee to consider setting the combined annual deductible and co-payment to a more appropriate level such as \$5,000 if the minimum deductible is increased.

Financial Analysis--SB 74

Average Monthly Premium Calculation

Method 1

Determine Alaska premium rate by adjusting State of Washington Health Insurance Pool rates for differences in plan design and geographic medical cost factors.

Assume typical/representative enrollment will be an individual age 45-49 choosing a \$500 deductible plan.

- Washington rate for 1991 = \$213
- Adjustment for Plan design differences (+4.9%) and geographic cost factors (+28%) = \$286
- Trend for July 1992 rate (+15%) = **\$328**

Method 2

Adjust rating approach outlined in March 19, 1992 memo from Paul Engelman based on 1990 experience in nine states with risk pools.

Average Monthly Premium Paid = \$131

Adjusted to a 150% cap = \$124

Adjusted to Alaska Costs = \$223

Trended forward 2 years at 15%/year = **\$295**

AVERAGE OF TWO RATING METHODS

\$311 per enrollee per month for 1992 (1st year)

\$358 per enrollee per month for 1993 (2nd year)

\$411 per enrollee per month for 1994 (3rd year)

Estimated enrollment in High Risk Pool

1st year -- 810 (0.15% of State pop.)

2nd year -- 1080 (0.20% of State pop.)

3rd year -- 1350 (0.25% of State pop.)

Estimated Pool Operating Losses

(claims + expenses + premium)

1st year -- 125%

2nd year -- 137.5%

3rd year -- 150%

(based on 1st three yrs experience in IA, NE, NM, TN and WA)

Effect of SB 74

Other Assumptions:

- Number of Insured persons in private non-ERISA programs = 209,500 (source: Division of Insurance, C. Ullman)
- Number of Insured persons in State of Alaska Insurance Plans = 52,000 (Includes active, retiree and political subdivision groups)
- assume constant 13,000 active employees/17,000 dependents & 12,000 retirees/10,000 dependents of retirees

First Year

Annual Income (premium x pool x 12 mos.)	3,022,920
Annual Claims Expense (Income x loss ratio)	3,778,650
Losses	755,730
Annual losses per Insurance Plan Enrollee	\$3.61 (\$.30/month)
State of Alaska annual Plan Assessment	\$187,000
Est. State per employee cost (active plan)	\$.72/EE/month
Est. State per retiree cost (retiree plan)	\$.52/RET/month

Second Year

Annual Income (premium x pool x 12 mos.)	4,639,680
Annual Claims Expense (Income x loss ratio)	6,379,560
Losses	1,740,000
Annual losses per Insurance Plan Enrollee	\$8.31 (\$.69/month)
State of Alaska annual Plan Assessment	\$432,120
Est. State per employee cost (active plan)	\$1.67/EE/month
Est. State per retiree cost (retiree plan)	\$1.20/RET/month

Third Year

Annual Income (premium x pool x 12 mos.)	6,658,200
Annual Claims Expense (Income x loss ratio)	9,987,300
Losses	3,329,100
Annual losses per Insurance Plan Enrollee	\$15.89 (\$1.32/month)
State of Alaska annual Plan Assessment	\$826,316
Estimated per employee cost (active plan)	\$3.18/EE/month
Estimated per retiree cost (retiree plan)	\$2.30/RET/month

**DOCUMENTS WHICH HAVE NOT BEEN FILMED BUT ARE
AVAILABLE IN THE ORIGINAL FILE INCLUDE:**

CORRESPONDENCE AND STATEMENTS OF SUPPORT FROM:

1. AETNA HEALTH PLANS, 5/5/92
2. ALASKA STATE HOSPITAL & NURSING HOME
ASSOCIATION, 5/4/92 AND 4/27/92
3. AMERICAN DIABETES ASSOCIATION, 4/27/92
4. ALASKA STATE MEDICAL ASSOCIATION, 4/22/92
5. ERNEST B. MELOCHE, AMERICAN BOARD OF
EMERGENCY PHYSICIANS, 3/27/92
6. N & S TEXACO, ANCHORAGE, 3/19/92
7. THOMAS A. TURNER, CLU, SOUTHERN ALASKA
LIFE UNDERWRITERS, 3/10/92
8. VIRGIL L. CARROLL, CORDOVA, (UNDATED)

SB

77

() USE COMMITTEE REPORT

(11)

Date Referred: May 13, 1991

FURTHER REFERRALS:

Date of Committee Action: 5/15/91

The FINANCE Committee considered:

CSSB 77(HES)am

CS FOR SENATE BILL NO. 77 (HES) am

STUDENT LOANS: 1/2 TIME, CAREER ED, ETC.

"An Act relating to loans for half-time students, loans to attend a career education program, deferral of loan repayment, conditions of scholarship loans, and to the Alaska Postsecondary Education Commission; repealing the student financial aid committee; and providing for an effective date."

RECOMMENDATIONS:

be replaced with CS SB 77 (HES) am the same title a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

fiscal impact _____

fiscal note(s) EDUCATION 2-15-91

zero fiscal note _____

zero fiscal note(s) _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Mike Savane</i>	✓	<i>Eileen P. Meehan</i>		✓	
<i>MANO BAYN</i>	X	<i>Tamara Barnes</i>		X	
<i>Kay Brown</i>	✓	<i>Best Group</i>		X	
<i>Adrian</i>	✓	<i>COLE & CO.</i>		✓	
<i>J. Ulmer</i>	X	<i>Ronald Fisher</i>		X	
		<i>George Jackson Jr</i>		X	

Mike Savane *E.P. Meehan*
CHAIRMAN'S SIGNATURE

FISCAL NOTE

No. 1

Bill Version: SB77

(S) Publish Date: 2/15/91

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Revision Date: _____ Department Affected: Education
 Title: RE: Loans for half-time students BRU: Postsecondary Education/Student Loan Corp
 Component: Student Loan Fund. Student Loan Admi
 Sponsor: Pourchot
 Requestor: Senate HESS COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	42.0	42.0	42.0	42.0	42.0	42.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	42.0	42.0	42.0	42.0	42.0	42.0

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER Corp. Receipts	42.0	42.0	42.0	42.0	42.0	42.0
TOTAL	42.0	42.0	42.0	42.0	42.0	42.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Costs for printing and mailing of loan documents.

Changes in SB77 HES
 reflect NO FISCAL CHANGE from the original
 fiscal note. This fiscal note is appropriate.

1/15/91 date HES Comte Aide (initial)

Prepared By: Jane Bvers Maynard, Executive Director Phone: 465-2165

Division: Alaska Commission on Postsecondary Education Date: January 28, 1991

Approved by Commissioner: _____

Agency: _____ Date: _____

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

SB 77
Analysis of Fiscal Impact

A. Assumptions

1. Total loan awards cannot exceed the statutorily required limit of three percent annual growth and will not exceed the FY 1992 budget appropriation.
2. A portion of borrowers who would have chosen to request a loan for full-time student status will elect to apply for a loan for half-time student status; i.e., a percentage of full-time loans will be supplanted by half-time loans.
3. Present staff level will be sufficient to service the addition of loans for half-time students.
4. New documents will be printed annually assuming annual borrower levels of up to 5,000.

#0579N

HESS
FIN

CS FOR SENATE BILL NO. 77 (HES) am

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Amended: 4/12/91
 Offered: 2/15/91
 Referred: Finance

Sponsor(s): SENATORS POURCHOT, Sturęulewski, Menard

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to loans for half-time students, loans to attend a career education
 2 program, deferral of loan repayment, conditions of scholarship loans, and to the Alaska
 3 Postsecondary Education Commission; repealing the student financial aid committee; and
 4 providing for an effective date."

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

6 * Section 1. AS 14.42.030(b) is amended to read:

7 (b) The commission shall

8 (1) develop a comprehensive statewide plan for coordinated postsecondary
 9 education in the state and serve as the state commission on postsecondary education required
 10 under sec. 1202 of Title XII of the Higher Education Act of 1965, as amended by the Education
 11 Amendments of 1972 (P.L. 92-318, sec. 196; 86 Stat. 324);

12 (2) establish a state advisory council on community colleges and develop a
 13 comprehensive statewide plan for the expansion and improvement of the community colleges
 14 under sec. 1001 of Title X of the Higher Education Act of 1965, as amended by the Education

1 Amendments of 1972 (P.L. 92-318, sec. 186; 86 Stat. 312, 313);

2 (3) serve as the state agency required under sec. 105 of Title I (Community
3 Service and Continuing Education), 603 of Title VI (Financial Assistance for Undergraduate
4 Education), 704 of Title VII (Construction of Academic Facilities), and Part B of Title IV
5 (Guaranteed Student Loan Program) of the Higher Education Act of 1965 (P.L. 89-329; 79 Stat.
6 1220, 1262; 20 U.S.C. 1005, 1123) as authorized by sec. 1202(c) of Title XII of the Higher
7 Education Act of 1965, as amended by the Education Amendments of 1972 (P.L. 92-318, sec.
8 196; 86 Stat. 324);

9 (4) administer the provisions of AS 14.43.090 - 14.43.160 (student loan program)
10 [, AND SERVE AS THE STUDENT FINANCIAL AID COMMITTEE];

11 (5) administer the provisions of AS 14.48 (regulation of postsecondary educational
12 institutions);

13 (6) resolve any disputes that exist or arise under a consortium or other cooperative
14 agreement between institutions of public and private higher education in the state.

15 * Sec. 2. AS 14.42.040(a) is amended to read:

16 (a) The commission may appoint an executive director as the commission's executive
17 officer. The executive officer is a member of the exempt service under AS 39.25.110, serves at
18 the pleasure of the commission, and receives compensation fixed by the commission. The
19 executive officer appoints persons to the staff positions authorized by the commission, and staff
20 compensation is fixed by the commission. [THE EXECUTIVE OFFICER IS THE EXECUTIVE
21 SECRETARY OF THE STUDENT FINANCIAL AID COMMITTEE.] Each employee of the
22 commission shall elect membership either in the state teachers' retirement system (AS 14.25),
23 if qualified, or in the public employees' retirement system (AS 39.35).

24 * Sec. 3. AS 14.43.090(d) is amended to read:

25 (d) The commission [STUDENT FINANCIAL AID COMMITTEE CREATED UNDER
26 AS 14.43.095] may sell or assign notes and other instruments evidencing scholarship loans to the
27 Alaska Student Loan Corporation and enter into agreements with the corporation relating to loans,
28 the administration of the student loan fund created under AS 14.42.210, and the payment of and
29 security for bonds of the corporation. Proceeds from the sale or assignment of notes and other
30 instruments shall be deposited in the scholarship revolving loan fund.

31 * Sec. 4. AS 14.43.100(a) is amended to read:

1 (a) Applications shall be submitted to the executive director [SECRETARY] of the
2 commission [COMMITTEE].

3 * Sec. 5. AS 14.43.100(b) is amended to read:

4 (b) A person whose loan application is not approved [RECOMMENDED OR
5 PRESENTED TO THE COMMITTEE] by the executive director of the commission
6 [SECRETARY] may appeal to the commission [COMMITTEE THROUGH THE CHAIRMAN
7 OF THE COMMITTEE] and the commission [COMMITTEE] shall consider the application.

8 * Sec. 6. AS 14.43.105 is amended to read:

9 Sec. 14.43.105. ADMINISTRATION OF PROGRAM. The executive director
10 [SECRETARY] shall administer the programs subject to review by the commission
11 [COMMITTEE] and in accordance with the regulations adopted by the commission
12 [COMMITTEE]. The adoption of these regulations is subject to the Administrative Procedure
13 Act (AS 44.62). A summary of the regulations shall be distributed to each applicant.

14 * Sec. 7. AS 14.43.110 is amended to read:

15 Sec. 14.43.110. UNDERGRADUATE LOANS. The commission [STUDENT
16 FINANCIAL AID COMMITTEE] may make a loan, not to exceed \$5,500 in a [ANY ONE]
17 school year [,] to a full-time [AN] undergraduate student, and not to exceed \$2,000 in a school
18 year to a half-time undergraduate student, eligible under AS 14.43.125. The commission
19 [COMMITTEE] may make a loan for a summer term, even if the total loan for the school year
20 exceeds the \$5,500 or \$2,000 maximum, if the loan for the summer term is counted against the
21 \$5,500 or \$2,000 maximum for the following school year. The commission shall adopt
22 regulations establishing a minimum amount for which a loan may be made.

23 * Sec. 8. AS 14.43.115 is amended to read:

24 Sec. 14.43.115. GRADUATE LOANS. The commission [STUDENT FINANCIAL AID
25 COMMITTEE] may make a loan, not to exceed \$6,500 in a [ANY ONE] school year [,] to a
26 full-time graduate student, and not to exceed \$2,500 in a school year to a half-time graduate
27 student, who is eligible under AS 14.43.125 and is pursuing an advanced degree. The
28 commission [COMMITTEE] may make a loan for a summer term, even if the total loan for the
29 school year exceeds the \$6,500 or \$2,500 maximum, if the loan for the summer term is counted
30 against the \$6,500 or \$2,500 maximum for the following school year. The commission shall
31 adopt regulations establishing a minimum amount for which a loan may be made.

1 * Sec. 9. AS 14.43.120(a) is amended to read:

2 (a) Proceeds from a scholarship loan to a full-time student [LOANS] may only be used
3 for books, tuition and required fees, and for room and board. Proceeds from a scholarship loan
4 to a half-time student may only be used for books and tuition and required fees.

5 * Sec. 10. AS 14.43.120(b) is amended to read:

6 (b) Scholarship loans may only be used to attend a

7 (1) career education program that has been

8 (A) approved by the commission before July 1, 1986;

9 (B) [, OR HAS BEEN] operating for two years before the borrower
10 attends; or

11 (C) operating for one year before the borrower attends and the
12 commission determines the program is operating on a fiscally sound basis; or

13 (2) a college or university that

14 (A) has been approved by the commission before July 1, 1986, or has been
15 operating for at least two years before the borrower attends;

16 (B) is accredited by a national or regional accreditation association
17 recognized by the Council on Postsecondary Accreditation or is approved by the
18 commission; and

19 (C) if the loans are federally insured, is approved by the United States
20 Secretary of Education.

21 * Sec. 11. AS 14.43.120(c) is amended to read:

22 (c) To maintain a loan awarded to a full-time student the student must continue to be
23 enrolled as a full-time student in good standing in a career education program, college, or
24 university that meets the requirements [DESIGNATED] under (b) of this section. To maintain
25 a loan awarded to a half-time student, the student must continue to be enrolled as a half-
26 time student in good standing in (1) a career education program, college, or university in
27 the state that meets the requirements under (b) of this section or (2) a career education
28 program, college, or university that meets the requirements under (b) of this section and
29 be physically present in the state while attending the career education program, college, or
30 university. The commission shall adopt regulations defining "good standing" for purposes of this
31 subsection.

1 * Sec. 12. AS 14.43.120(g) is amended to read:

2 (g) Repayment of the principal and interest on the loan begins not [NO] later than one
3 year after the borrower's studies are terminated. The loan shall provide for repayment of the "An
4 Act total amount owed in periodic installments in not more than 10 years from the
5 commencement of repayment if the loan is to a full-time student, or in not more than five
6 years from the commencement of repayment if the loan is to a half-time student, except as
7 provided in (k) and (m) of this section. If the commission and the borrower agree to a different
8 repayment schedule, the borrower shall repay the loan in accordance with the agreement. A
9 borrower may make payments earlier than required by this subsection.

10 * Sec. 13. AS 14.43.120(k) is amended to read:

11 (k) Periodic installments of principal shall be deferred, but interest shall accrue and be
12 paid unless the borrower [STUDENT] is eligible for interest payment benefits under (l) of this
13 section, during any of the following periods:

14 (1) if the borrower received a loan to attend as a full-time student, return to
15 full-time student status in good standing in a career education program, college, or university
16 that meets the requirements under (b) of this section [AS PROVIDED IN (c) OF THIS
17 SECTION];

18 (2) if the borrower received a loan to attend as a half-time student, return
19 to at least half-time student status in good standing in (A) a career education program,
20 college, or university in the state that meets the requirements under (b) of this section or
21 (B) a career education program, college, or university that meets the requirements under
22 (b) of this section and the borrower is physically present in the state while attending the
23 career education program, college, or university; a borrower is not eligible for deferral
24 under this paragraph for a period longer than eight years;

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

27 (4) [(3)] serving, for up to three years, as a full-time volunteer under the Peace
28 Corps Act;

29 (5) [(4)] serving, for up to three years, as a full-time volunteer under the
30 Domestic Volunteer Service Act of 1973;

31 (6) [(5)] for a one-time period up to 12 months in which the borrower is seeking

1 and unable to find employment in the United States; or
2 (7) during the period of disability [(6)] if the borrower becomes 50 percent or
3 more disabled as certified by competent medical authority.

4 * Sec. 14. AS 14.43.120(l) is amended to read:

5 (l) The state shall pay the interest on that portion of a loan that is not federally insured
6 during

7 (1) the period in which the borrower is a full-time or half-time student;

8 (2) deferments under (k) of this section.

9 * Sec. 15. AS 14.43.120(m) is amended to read:

10 (m) In case of hardship, the commission [COMMITTEE] may extend repayment of a
11 loan for an additional period of up to five years in increments no longer than 12 months each.

12 * Sec. 16. AS 14.43.125(a) is amended to read:

13 (a) A person may apply for and obtain a scholarship loan if the person

14 (1) is

15 (A) enrolled as a full-time student in a career education, associate,
16 baccalaureate, or graduate degree program; [OR]

17 (B) enrolled as a half-time student in a career education, associate,
18 baccalaureate, or graduate degree program in

19 (i) the state; or

20 (ii) a career education, associate, baccalaureate, or graduate
21 degree program and is physically present in the state while attending the
22 career education, associate, baccalaureate, or graduate degree program; or

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

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

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

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

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

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

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

14 (ii) serving [,] for up to three years as a full-time volunteer under
15 the Peace Corps Act;

16 (iii) serving [,] for up to three years as a full-time volunteer under
17 the Domestic Volunteer Service Act of 1973;

18 (iv) required medical care for the applicant or the applicant's
19 immediate family;

20 (v) being a person who otherwise qualifies as a resident and is
21 accompanying a spouse who qualifies as a resident under (i) - (iv) of this
22 paragraph; or

23 (D) has been physically present in the state, or is a dependent of a parent
24 or guardian who has been physically present in the state, for at least two years
25 immediately before the applicant or the parent or guardian was absent from the state and
26 the absence is due solely to

27 (i) participating in a foreign exchange student program recognized
28 by the commission;

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

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

31 (iv) being a member of or employed full-time by the state's

1 congressional delegation;

2 (v) being a person who otherwise qualifies as a resident and is
3 accompanying a spouse who qualifies as a resident under (i) - (iv) of this
4 paragraph; and

5 (4) does not have a past due child support obligation established by court order
6 or by the child support enforcement division under AS 47.23.160 - 47.23.220 at the time of
7 application.

8 * Sec. 17. AS 14.43.160 is amended by adding a new paragraph to read:

9 (7) "half-time student" means an undergraduate, graduate, or career education
10 student who during the semester is enrolled and is in regular attendance at classes at one or more
11 public or private institutions of higher education for at least a total of six semester credit hours
12 or an equivalent of six semester credit hours, and includes a career education student enrolled
13 and in regular attendance in classes for at least 15 hours a week.

14 * Sec. 18. AS 14.43.255(c) is amended to read:

15 (c) The commission [STUDENT FINANCIAL AID COMMITTEE CREATED UNDER
16 AS 14.43.095] may sell or assign notes and other instruments evidencing memorial scholarship
17 loans to the Alaska Student Loan Corporation and enter into agreements with the corporation
18 relating to loans, the administration of the student loan fund created under AS 14.42.210, and the
19 payment of and security for bonds of the corporation. Proceeds from the sale or assignment of
20 a note or other instrument shall be deposited in the appropriate memorial scholarship loan fund
21 account.

22 * Sec. 19. AS 14.43.320(a) is amended to read:

23 (a) The memorial scholarship loans provided for under AS 14.43.250 - 14.43.325 shall
24 be administered by the executive director [SECRETARY] of the commission [STUDENT
25 FINANCIAL AID COMMITTEE UNDER AS 14.43.095 AND 14.43.105], subject to review by
26 the commission [COMMITTEE] and to those regulations the commission [COMMITTEE] may
27 prescribe to carry out the purposes of AS 14.43.250 - 14.43.325.

28 * Sec. 20. AS 14.43.405(a) is amended to read:

29 (a) The educational incentive grant program established under AS 14.43.400 - 14.43.500
30 shall be administered by the executive director of the commission [SECRETARY OF THE
31 STUDENT FINANCIAL AID COMMITTEE UNDER AS 14.43.095 - 14.43.105], subject to

1 teacher scholarship loans; the form shall include a requirement that the applicant supply a high
2 school academic transcript and a statement of intent to enter a teaching career at the elementary
3 or secondary school level in the state.

4 * Sec. 25. AS 14.43.650(a) is amended to read:

5 (a) To be eligible for a teacher scholarship loan, a student must

6 (1) be a graduate of a public or private high school in the state, with sufficient
7 credits to be admitted to an accredited college or university;

8 (2) be enrolled in or show evidence of intent to enroll in a degree program
9 directed at a teaching career at the elementary or secondary school level;

10 (3) meet the conditions set by the student's local school board with respect to the
11 district's requirements for teachers in particular subject areas;

12 (4) submit to the local school board an application provided by the commission
13 [STUDENT FINANCIAL AID COMMITTEE] under AS 14.43.630(a)(2); an application may be
14 submitted six months before graduation from high school; and

15 (5) not have a past due child support obligation established by court order or by
16 the child support enforcement division under AS 25.27.160 - 25.27.220 at the time of application.

17 * Sec. 26. AS 14.43.720(b) is amended to read:

18 (b) The commission [STUDENT FINANCIAL AID COMMITTEE CREATED UNDER
19 AS 14.43.095] may sell or assign notes and other instruments evidencing family education loans
20 to the Alaska Student Loan Corporation and enter into agreements with the corporation relating
21 to loans, the administration of the student loan fund created under AS 14.42.210, and the
22 payment of and security for bonds of the corporation. Proceeds from the sale or assignment of
23 notes and other instruments shall be deposited in the family education loan account.

24 * Sec. 27. AS 14.43.730 is amended to read:

25 Sec. 14.43.730. ADMINISTRATION. The family education loan program shall be
26 administered by the commission [STUDENT FINANCIAL AID COMMITTEE (AS 14.43.095)]
27 under regulations that it adopts [ADOPTED BY THE COMMITTEE].

28 * Sec. 28. AS 14.43 is amended by adding a new section to article 9 to read:

29 Sec. 14.43.990. DEFINITION. In this chapter, "commission" means the Alaska
30 Postsecondary Education Commission.

31 * Sec. 29. AS 14.43.095 and 14.43.160(2) are repealed.

1 * Sec. 30. This Act takes effect July 1, 1991.

ALASKA STATE LEGISLATURE

SENATE FINANCE COMMITTEE,
CO-CHAIR



ANCHORAGE
P.O. BOX 104836
ANCHORAGE, AK 99510
(W) (907) 561-7623
(H) (907) 338-2425

JUNEAU
P.O. BOX V
STATE CAPITOL
JUNEAU, AK 99811
(907) 465-3712

Senator Pat Pourchot

MEMORANDUM

TO: Representative Navarre, Co-Chair
Representative MacLean, Co-Chair
House Finance Committee

FROM: Senator Pourchot *Pat*

RE: Scheduling of SB 77, Half-Time Student Loans

DATE: May 13, 1991

I am writing to request that you calendar SB 77, which would expand the use of existing state student loan funds to include certain half-time students.

The bill is intended to address the needs of the "serious" half-time student; students who because of work, family, a disability, or some other demand are unable to devote themselves to full-time study but who have as much interest in, can benefit as much by, and certainly are as entitled to higher education as are those able to attend school full-time. "Seriousness" is ensured by the requirement that the half-time student be enrolled in good standing in at least six semester credit hours in a career education or degree program.

Eligibility requirements for half-time loans would be the same as for full-time loans. Loan terms would be less than half what they are for full-time students. In contrast to the full-time loan, half-time loan funds could be used only at in-state schools and only for tuition, books, and fees. All other provisions of the current loan program would apply to half-time loans.

Loans would be administered by the Postsecondary Education Commission as part of the existing full-time student loan portfolio. An increase in program funding would not be required -- loan funds would come from repayment of existing loans and state general funds appropriated annually to the program. While it is hard to predict what the demand for half-time loans might be, it is anticipated that any competition between half-time and full-time students for loan funds would be minimal as funds have exceeded demand the last couple of years. In the future, should demand increase, existing statute allows for 3% program growth annually.

The Senate adopted a letter of intent regarding allocation of loan funds between half-time and full-time students, and a small fiscal note (corporate receipts) to cover the cost of preparing forms specific to the half-time loan.

Thank you for your consideration.

SB 77. AN ACT RELATING TO STUDENT LOANS

Broader: is the group of persons eligible for the student loan program to include the serious half-time student.

MUST BE ENROLLED IN GOOD STANDING IN A CAREER EDUCATION, ASSOCIATE, BACCALAUREATE, OR GRADUATE DEGREE PROGRAM

MUST TAKE AT LEAST 6 SEMESTER CREDIT HOURS OR BE IN REGULAR ATTENDANCE IN CAREER EDUCATION CLASSES AT LEAST 15 HOURS A WEEK

Loan terms would be less than half what they are for full-time students.

	<u>HALF-TIME</u>	<u>FULL-TIME</u>
UNDERGRAD MAXIMUM	\$2,000/YR.	\$5,500/YR.
GRADUATE MAXIMUM	\$2,500/YR.	\$6,500/YR.
REPAYMENT	5 YEARS	10 YEARS
INTEREST	8%	8%

Two major differences.

<u>HALF-TIME</u>	<u>FULL-TIME</u>
BOOKS, TUITION, FEES IN-STATE SCHOOLS ONLY	BOOKS, TUITION, FEES, ROOM, BOARD IN-STATE AND OUT-OF-STATE SCHOOLS

Half-time loans would be awarded within the statutory cap (AS 14.42.032 allows 3% growth above the prior year's award). Applications would be processed by existing staff. Fiscal note of \$42,000 (corporate receipts) to print half-time loan application forms.

Minimal competition between half-time and full-time students. Loan funds have exceeded demand the last several years as demand has declined. No clear estimate of the number of half-time applicants. The Postsecondary Education Commission will likely set aside a portion of funds specifically for half-time loans (currently set aside 20% for vocational students).

Bond counsel has determined that the bill will have no impact on the indenture or other financing documents used in connection with the issuance of the corporation's bonds.

Legislative Legal Division finds no Constitutional problem with limiting half-time loans to attendance at schools in the state.

Postsecondary Education Commission has endorsed the concept of half-time loans.

SECTIONAL SUMMARY

CSSB 77(HESS)am, RELATING TO HALF-TIME STUDENT LOANS

Sec. 1-6 Delete references to the Student Financial Aid Committee, which has not been operative for several years. Duties have all been assumed by the Postsecondary Education Commission.

Sec. 7 Establishes the undergraduate loan limit for half-time students at \$2,000 (full-time limit is \$5,500). Requires that regulations be adopted establishing the minimum amount for which a loan may be made.

Sec. 8 Establishes the graduate loan limit for half-time students at \$2,500 (full time limit is \$6,500). Requires adoption of regulations establishing minimum loan amount.

Sec. 9 Limits the use of half-time loan funds to books, tuition, and required fees. Full-time loan funds may also be used for room and board.

Sec. 10 Allows loans to be made to institutions that have been operating only one year if the commission determines the program is operating on a fiscally sound basis. Current statute requires two years of operation.

Sec. 11 Requires that half-time loan recipients be enrolled in good standing in a career education program, college, or university in the state or in an "external degree program" (enrolled in an out-of-state school but physically present in the state). These are the same requirements that full-time students must meet, except that full-time loan recipients may attend school out of state.

Sec. 12 Requires repayment of a half-time loan within five years from the commencement of repayment. This is half of the 10 year repayment period for full-time loans.

Sec. 13 Allows for deferral of principal and interest when a half-time borrower returns to school (this same deferral provision applies to full-time students). Specifies that deferral of a half-time loan may not exceed eight years (no such limitation applies to full-time loans). Clarifies that the student must be enrolled full-time, not half-time, in order to defer a full-time loan.

Sec. 14 Allows for deferral of interest payments while the half-time borrower is in school (Sec. 13 applies only to a borrower who returns to school). This general deferral currently applies to full-time students.

Sec. 15 Conforming amendment per defunct Student Financial Aid Committee.

Sec. 16 Amends the eligibility provisions of the student loan program to include half-time, as well as full-time, enrollment in a career education, associate, baccalaureate, or graduate degree program in the state or in an "external degree program" (enrolled in an out-of-state school but physically present in the state). Full-time students may enroll out of state also.

Sec. 17 Defines half-time student as an undergraduate, graduate, or career education student enrolled and in regular attendance at classes for at least six semester credit hours, or a career education student enrolled and in regular attendance at classes for at least 15 hours a week. The definition of a full-time student is enrollment and regular attendance in at least 12 semester credit hours or the equivalent of undergraduate or career study, or 9 hours of graduate study.

Sec. 18-27 Conforming amendments per defunct Student Financial Aid Committee.

Sec. 28 Defines "commission" as the Alaska Postsecondary Education Commission.

Sec 29 Two repealers per defunct Student Financial Aid Committee.

Sec. 30 Effective date of July 1, 1991.

NOTE: All sections of CSSB 77(HESS) amend sections of existing law. Provisions of existing law that currently apply to full-time students but that are not referenced in SB 77 would apply to half-time students as well (8% interest, interest accrual during grace period, begin repayment within one year of completing study, default at 120 days, maximum five years worth of loans except eight years if obtain loans for both undergraduate and graduate study, garnishment of Permanent Fund dividends for defaulted loans, two year residency requirement).

Alaska State Legislature

Sen. Pat Pourchot, Co-Chairman
Sen. Jay Kerttula, Co-Chairman

Sen. Al Adams
Sen. Jim Duncan
Sen. Lyman F. Hoffman
Sen. Dick Shultz
Sen. Rick Uehling



P.O. Box V
State Capitol
Juneau, Alaska 99811

907-465-3712

Senate Finance Committee

CSSB77 (HES)

It is the intent of the Legislature that the Postsecondary Education Commission adopt regulations establishing a percentage of total loan funds that may be loaned to half-time students in any fiscal year. Under current policy, the Commission sets aside 20% of loan funds for career education students. This serves both to limit the amount of money that may be loaned to vocational students, and to ensure that vocational students have access to state student loan funds. If demand for vocational loans in any given year is less than the allocation, the funds are loaned to full-time students.

It is the intent of the Legislature that a similar allocation system be adopted for half-time students.

Further, it is not the intent of the Legislature that future program modifications be made that would allow students attending school less than half time to receive state student loans.

FREQUENTLY ASKED QUESTIONS ABOUT CSSB 77(HES):

1. What is the financial impact of expanding the student loan program to include half-time students?

Due to a number of occurrences in the late 1980's -- probably including the downturn in the state's economy and changes made to the student loan program to accommodate bonding (repeal of forgiveness, increased interest rate, and accrual of interest during the grace period) -- demand for student loans has dropped.

During this same period, revenues available to the program have increased. A reduced default rate and the fact that loans made in the high volume years are coming due have resulted in increased loan repayments. Repayments have been supplemented with bond proceeds since 1988, and an annual general fund appropriation of \$10 million.

Evensen Dodge, Inc., the financial advisor to the Student Loan Corporation, predicts that if this funding pattern continues and loan demand remains static, the loan fund will be revolving by the year 2000-2002. It is conceivable that demand for half-time and full-time loans combined will not result in total program growth -- full-time demand may continue to decline; current full-time borrowers may convert to half-time borrowing.

Under no circumstance will borrowing grow unchecked. Current statute limits loan awards to a total value that exceeds by no more than 3% the loans awarded the previous year, regardless of demand. Even with the inclusion of half-time borrowers, it is unlikely that demand will grow in the near term at this rate.

According to Evensen Dodge, Inc., with an annual \$10 million general fund appropriation and 8% default rate:

	<u>1% Decline</u>	<u>No Growth</u>	<u>1.5% Growth</u>	<u>3% Growth</u>
Last year for bonds	1998	1999	2003	2006
Last year for GF	2000	2002	2004	2006

2. What if loan demand (half-time and full-time combined) exceeds the amount of loan funds available?

The amount of loan money available is controlled by the statutory limit on growth and by legislative appropriations to the fund. It is not anticipated that additional money would be appropriated, but rather that available funds would be allocated between half-time and full-time students, which is the current practice for vocational loans. A Senate Finance Committee letter of intent addresses this allocation.

3. What has loan demand been the last several years?

Highest year	FY 85	75.1 million	(17,173 borrowers)
	FY 86	75.0 m	(15,983)
	FY 87	71.6 m	(16,566)
	FY 88	68.6 m	(16,453)
	FY 89	61.1 m	(14,625)
	FY 90	55.4	(13,065)
	FY 91	54.0 m	(11,000)
Estimate	FY 92	56.0 m	

4. What is the program's default rate?

7.5%

5. What is the definition of a half-time borrower?

A student must be enrolled in good standing in a career education, associate, baccalaureate, or graduate degree program and must be taking at least 6 semester credit hours or be in regular attendance in career education classes at least 15 hours a week.

6. How many half-time borrowers are we talking about?

While it is hard to predict how many students would actually seek a half-time loan, we do know that there are many students currently attending school half-time. Fall 1989 University of Alaska students taking 6-12 credit hours:

Undergraduate	2,847	(average age 31)
Graduate	190	(average age 31)

7. What would the loan terms be?

Loan terms would be less than half what they are for full-time students.

	<u>HALF-TIME</u>	<u>FULL-TIME</u>
UNDERGRAD MAXIMUM	\$2,000/YR.	\$5,500/YR.
GRADUATE MAXIMUM	\$2,500/YR.	\$6,500/YR.
REPAYMENT	5 YEARS	10 YEARS
INTEREST	8%	8%

In addition, there are two major differences in the use of loan funds.

<u>HALF-TIME</u>	<u>FULL-TIME</u>
BOOKS, TUITION, FEES	BOOKS, TUITION, FEES, ROOM, BOARD
IN-STATE SCHOOLS ONLY	IN-STATE & OUT-OF-STATE SCHOOLS

8. What is the average cost of half-time attendance?

Use of half-time loan funds is limited by SB 77 to books, tuition, and fees. Loan awards are based on each student's actual costs.

	<u>6 Credits</u>	<u>9 Credits</u>	<u>6 Graduate</u>
UAA	\$855	\$1,283	\$1,374
UAF	\$702	\$1,285	\$1,230
APU	\$2,974	\$4,461	\$3,346

9. How many years would a borrower be able to receive a half-time student loan?

Current statute limits the number of years that a borrower may receive a loan to 5 years of undergraduate study, 5 years of graduate study, or not more than 8 years of undergraduate and graduate study combined. Half-time borrowing or a combination of half-time and full-time borrowing would be limited to these same maximums.

10. Does limiting use of half-time loans to in-state schools present a Constitutional problem?

No, according to an opinion released by the Legislative Legal Division.

11. What is the effect of the amendment made in Senate HESS (add Sec. 14)?

Under current statute, interest accrual on loans is delayed (the statute reads "the state shall pay the interest"; this has always been implemented as a simple delay in payments) until the student leaves school. Sec. 14 would apply this same provision to half-time students. This was the original intent of the sponsor; Sec. 14 corrects an oversight in the original bill.

12. What is the effect of the amendment made on the Senate floor?

Language was added in Sections 11, 13, and 16 to allow half-time loans to be made for enrollment in "external degree programs." These are programs offered by out-of-state institutions that allow students to study in their home state. These programs differ from ineligible correspondence study programs in that they require regular attendance for a time certain at the out-of-state campus each semester. Currently, loans are made to full-time students enrolled in external degree programs.

13. What is the role of the Student Loan Corporation?

The corporation was created in 1987 to finance student loans through the issuance of bonds, notes, or other obligations. Its 5-member board of directors is appointed by the Governor. 1990 was the third year the corporation issued bonds.

14. What is the make-up of the Postsecondary Education Commission?

Established in 1974, the commission has 14 members representing public and private postsecondary education in Alaska.

**DOCUMENTS WHICH HAVE NOT BEEN FILMED BUT ARE
AVAILABLE IN THE ORIGINAL FILE INCLUDE:**

CORRESPONDENCE AND STATEMENTS OF SUPPORT FROM:

- 1. UNIVERSITY OF ALASKA, ANCHORAGE, 2/11/91**
- 2. UNIVERSITY OF ALASKA, STATEWIDE
SYSTEM, 2/7/91**
- 3. ASSOCIATED STUDENTS, UNIVERSITY OF
ALASKA, FAIRBANKS, 2/6/91**

SB

77

SENATE FINANCE COMMITTEE REPORT

DATE TURNED IN TO OFFICE 3-8-91

2/15/91

The Finance Committee considered SB 77
loans for half-time students; efd.

and recommended:

- replace with _____ CS
 - or adopt _____ CS SB 77 (Hrs)
 - attached amendment(s)
 - Finance letter of intent adopted
- same title
 - new title
 - technical title change (HB only)

- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____

ATTACHES NEW FISCAL NOTE(S):

- fiscal note(s) _____ Dept/Date: _____
- zero fiscal note(s) _____

APPROVES PREVIOUS:

- fiscal note(s) DOE #42.0 Dept/Date: _____
- zero fiscal note(s) _____

appropriation-no fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Del Adamsy - No Rec
Robert H. ... No Rec
... No Rec
Diak / Shady No Rec

1. Pat Hancock do pass
 Co-Chairs: Signatures and recommendations

2. J. ... Depon

FISCAL NOTE

No. 1

Bill Version: SB77

(S) Publish Date: 2/19/91

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Revision Date: _____ Department Affected: Education
Title: RE: Loans for half-time students BRU: Postsecondary Education/Student Loan Cor
Component: Student Loan Fund. Student Loan Adm
Sponsor: Pourchot
Requestor: Senate HESS COMPONENT SERIAL NO.

0	2	1	3
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	42.0	42.0	42.0	42.0	42.0	42.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	42.0	42.0	42.0	42.0	42.0	42.0

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

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

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER Corp. Receipts	42.0	42.0	42.0	42.0	42.0	42.0
TOTAL	42.0	42.0	42.0	42.0	42.0	42.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Costs for printing and mailing of loan documents.

Changes in SB77 HES
reflect NO FISCAL CHANGE from the original
fiscal note. This fiscal note is appropriate.

14 FEB 1991 date MAF Comte Aide (Initial)

Prepared By: Jane Byers Maynard, Executive Director Phone: 465-2165
Division: Alaska Commission on Postsecondary Education Date: January 28, 1991

Approved by Commissioner: _____
Agency: _____ Date: _____

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

SB 77
Analysis of Fiscal Impact

A: Assumptions

1. Total loan awards cannot exceed the statutorily required limit of three percent annual growth and will not exceed the FY 1992 budget appropriation.
2. A portion of borrowers who would have chosen to request a loan for full-time student status will elect to apply for a loan for half-time student status; i.e., a percentage of full-time loans will be supplanted by half-time loans.
3. Present staff level will be sufficient to service the addition of loans for half-time students.
4. New documents will be printed annually assuming annual borrower levels of up to 5,000.

#0579N

Alaska State Legislature

Sen. Pat Pourchot, Co-Chairman
Sen. Jay Kerttula, Co-Chairman

Sen. Al Adams
Sen. Jim Duncan
Sen. Lyman F. Hoffman
Sen. Dick Shultz
Sen. Rick Uehling



P.O. Box V
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907-165-3712

Senate Finance Committee

CSSB77 (HES)

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It is the intent of the Legislature that a similar allocation system be adopted for half-time students.

Further, it is not the intent of the Legislature that future program modifications be made that would allow students attending school less than half time to receive state student loans.

JC

CS FOR SENATE BILL NO. 77 (HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 2/15/91

Referred: Finance

Sponsor(s): SENATORS POURCHOT, Sturgulewski

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to loans for half-time students, loans to attend a career education
2 program, deferral of loan repayment, conditions of scholarship loans, and to the Alaska
3 Postsecondary Education Commission; repealing the student financial aid committee; and
4 providing for an effective date."

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

6 * Section 1. AS 14.42.030(b) is amended to read:

7 (b) The commission shall

8 (1) develop a comprehensive statewide plan for coordinated postsecondary
9 education in the state and serve as the state commission on postsecondary education required
10 under sec. 1202 of Title XII of the Higher Education Act of 1965, as amended by the Education
11 Amendments of 1972 (P.L. 92-318, sec. 196; 86 Stat. 324);

12 (2) establish a state advisory council on community colleges and develop a
13 comprehensive statewide plan for the expansion and improvement of the community colleges
14 under sec. 1001 of Title X of the Higher Education Act of 1965, as amended by the Education

1 Amendments of 1972 (P.L. 92-318, sec. 186; 86 Stat. 312, 313);

2 (3) serve as the state agency required under sec. 105 of Title I (Community
3 Service and Continuing Education), 603 of Title VI (Financial Assistance for Undergraduate
4 Education), 704 of Title VII (Construction of Academic Facilities), and Part B of Title IV
5 (Guaranteed Student Loan Program) of the Higher Education Act of 1965 (P.L. 89-329; 79 Stat.
6 1220, 1262; 20 U.S.C. 1005, 1123) as authorized by sec. 1202(c) of Title XII of the Higher
7 Education Act of 1965, as amended by the Education Amendments of 1972 (P.L. 92-318, sec.
8 196; 86 Stat. 324);

9 (4) administer the provisions of AS 14.43.090 - 14.43.160 (student loan program)
10 [AND SERVE AS THE STUDENT FINANCIAL AID COMMITTEE];

11 (5) administer the provisions of AS 14.48 (regulation of postsecondary educational
12 institutions);

13 (6) resolve any disputes that exist or arise under a consortium or other cooperative
14 agreement between institutions of public and private higher education in the state.

15 * Sec. 2. AS 14.42.040(a) is amended to read:

16 (a) The commission may appoint an executive director as the commission's executive
17 officer. The executive officer is a member of the exempt service under AS 39.25.110, serves at
18 the pleasure of the commission, and receives compensation fixed by the commission. The
19 executive officer appoints persons to the staff positions authorized by the commission, and staff
20 compensation is fixed by the commission. [THE EXECUTIVE OFFICER IS THE EXECUTIVE
21 SECRETARY OF THE STUDENT FINANCIAL AID COMMITTEE.] Each employee of the
22 commission shall elect membership either in the state teachers' retirement system (AS 14.25),
23 if qualified, or in the public employees' retirement system (AS 39.35).

24 * Sec. 3. AS 14.43.090(d) is amended to read:

25 (d) The commission [STUDENT FINANCIAL AID COMMITTEE CREATED UNDER
26 AS 14.43.095] may sell or assign notes and other instruments evidencing scholarship loans to the
27 Alaska Student Loan Corporation and enter into agreements with the corporation relating to loans,
28 the administration of the student loan fund created under AS 14.42.210, and the payment of and
29 security for bonds of the corporation. Proceeds from the sale or assignment of notes and other
30 instruments shall be deposited in the scholarship revolving loan fund.

31 * Sec. 4. AS 14.43.100(a) is amended to read:

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

1 Amendments of 1972 (P.L. 92-318, sec. 186; 86 Stat. 312, 313);

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12 (2) establish a state advisory council on community colleges and develop a
 13 comprehensive statewide plan for the expansion and improvement of the community colleges
 14 under sec. 1001 of Title X of the Higher Education Act of 1965, as amended by the Education

1 (a) Applications shall be submitted to the executive director [SECRETARY] of the
2 commission [COMMITTEE].

3 * Sec. 5. AS 14.43.100(b) is amended to read:

4 (b) A person whose loan application is not approved [RECOMMENDED OR
5 PRESENTED TO THE COMMITTEE] by the executive director of the commission
6 [SECRETARY] may appeal to the commission [COMMITTEE THROUGH THE CHAIRMAN
7 OF THE COMMITTEE] and the commission [COMMITTEE] shall consider the application.

8 * Sec. 6. AS 14.43.105 is amended to read:

9 Sec. 14.43.105. ADMINISTRATION OF PROGRAM. The executive director
10 [SECRETARY] shall administer the programs subject to review by the commission
11 [COMMITTEE] and in accordance with the regulations adopted by the commission
12 [COMMITTEE]. The adoption of these regulations is subject to the Administrative Procedure
13 Act (AS 44.62). A summary of the regulations shall be distributed to each applicant.

14 * Sec. 7. AS 14.43.110 is amended to read:

15 Sec. 14.43.110. UNDERGRADUATE LOANS. The commission [STUDENT
16 FINANCIAL AID COMMITTEE] may make a loan, not to exceed \$5,500 in a [ANY ONE]
17 school year [,] to a full-time [AN] undergraduate student, and not to exceed \$2,000 in a school
18 year to a half-time undergraduate student, eligible under AS 14.43.125. The commission
19 [COMMITTEE] may make a loan for a summer term, even if the total loan for the school year
20 exceeds the \$5,500 or \$2,000 maximum, if the loan for the summer term is counted against the
21 \$5,500 or \$2,000 maximum for the following school year. The commission shall adopt
22 regulations establishing a minimum amount for which a loan may be made.

23 * Sec. 8. AS 14.43.115 is amended to read:

24 Sec. 14.43.115. GRADUATE LOANS. The commission [STUDENT FINANCIAL AID
25 COMMITTEE] may make a loan, not to exceed \$6,500 in a [ANY ONE] school year [,] to a
26 full-time graduate student, and not to exceed \$2,500 in a school year to a half-time graduate
27 student, who is eligible under AS 14.43.125 and is pursuing an advanced degree. The
28 commission [COMMITTEE] may make a loan for a summer term, even if the total loan for the
29 school year exceeds the \$6,500 or \$2,500 maximum, if the loan for the summer term is counted
30 against the \$6,500 or \$2,500 maximum for the following school year. The commission shall
31 adopt regulations establishing a minimum amount for which a loan may be made.

1 * Sec. 9. AS 14.43.120(a) is amended to read:

2 (a) Proceeds from a scholarship loan to a full-time student [LOANS] may only be used
3 for books, tuition and required fees, and for room and board. Proceeds from a scholarship loan
4 to a half-time student may only be used for books and tuition and required fees.

5 * Sec. 10. AS 14.43.120(b) is amended to read:

6 (b) Scholarship loans may only be used to attend a

7 (1) career education program that has been

8 (A) approved by the commission before July 1, 1986;

9 (B) [, OR HAS BEEN] operating for two years before the borrower
10 attends; or

11 (C) operating for one year before the borrower attends and the
12 commission determines the program is operating on a fiscally sound basis; or

13 (2) a college or university that

14 (A) has been approved by the commission before July 1, 1986, or has been
15 operating for at least two years before the borrower attends;

16 (B) is accredited by a national or regional accreditation association
17 recognized by the Council on Postsecondary Accreditation or is approved by the
18 commission; and

19 (C) if the loans are federally insured, is approved by the United States
20 Secretary of Education.

21 * Sec. 11. AS 14.43.120(c) is amended to read:

22 (c) To maintain a loan awarded to a full-time student the student must continue to be
23 enrolled as a full-time student in good standing in a career education program, college, or
24 university that meets the requirements [DESIGNATED] under (b) of this section. To maintain
25 a loan awarded to a half-time student, the student must continue to be enrolled as a half-
26 time student in good standing in a career education program, college, or university in the
27 state that meets the requirements under (b) of this section. The commission shall adopt
28 regulations defining "good standing" for purposes of this subsection.

29 * Sec. 12. AS 14.43.120(g) is amended to read:

30 (g) Repayment of the principal and interest on the loan begins not [NO] later than one
31 year after the borrower's studies are terminated. The loan shall provide for repayment of the "An

1 Act total amount owed in periodic installments in not more than 10 years from the
2 commencement of repayment if the loan is to a full-time student, or in not more than five
3 years from the commencement of repayment if the loan is to a half-time student, except as
4 provided in (k) and (m) of this section. If the commission and the borrower agree to a different
5 repayment schedule, the borrower shall repay the loan in accordance with the agreement. A
6 borrower may make payments earlier than required by this subsection.

7 * Sec. 13. AS 14.43.120(k) is amended to read:

8 (k) Periodic installments of principal shall be deferred, but interest shall accrue and be
9 paid unless the borrower [STUDENT] is eligible for interest payment benefits under (l) of this
10 section, during any of the following periods:

11 (1) if the borrower received a loan to attend as a full-time student, return to
12 full-time student status in good standing in a career education program, college, or university
13 that meets the requirements under (b) of this section [AS PROVIDED IN (c) OF THIS
14 SECTION];

15 (2) if the borrower received a loan to attend as a half-time student, return
16 to at least half-time student status in good standing in a career education program, college,
17 or university in the state that meets the requirements under (b) of this section; a borrower
18 is not eligible for deferral under this paragraph for a period longer than eight years;

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

21 (4) [(3)] serving, for up to three years, as a full-time volunteer under the Peace
22 Corps Act;

23 (5) [(4)] serving, for up to three years, as a full-time volunteer under the
24 Domestic Volunteer Service Act of 1973;

25 (6) [(5)] for a one-time period up to 12 months in which the borrower is seeking
26 and unable to find employment in the United States; or

27 (7) during the period of disability [(6)] if the borrower becomes 50 percent or
28 more disabled as certified by competent medical authority.

29 * Sec. 14. AS 14.43.120(l) is amended to read:

30 (1) The state shall pay the interest on that portion of a loan that is not federally insured
31 during

1 (1) the period in which the borrower is a full-time or half-time student;

2 (2) deferments under (k) of this section.

3 * Sec. 15. AS 14.43.120(m) is amended to read:

4 (m) In case of hardship, the commission [COMMITTEE] may extend repayment of a
5 loan for an additional period of up to five years in increments no longer than 12 months each.

6 * Sec. 16. AS 14.43.125(a) is amended to read:

7 (a) A person may apply for and obtain a scholarship loan if the person

8 (1) is

9 (A) enrolled as a full-time student in a career education, associate,
10 baccalaureate, or graduate degree program; [OR]

11 (B) enrolled as a half-time student in a career education, associate,
12 baccalaureate, or graduate degree program in the state; or

13 (C) a graduate of a high school or the equivalent, or scheduled for
14 graduation from a high school within six months, with sufficient credits to be admitted
15 to a career education program or to an accredited college or university;

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

17 (3) is a resident of the state at the time of application for the loan; for purposes
18 of this section, a person qualifies as a resident of the state if at the time of application for the
19 loan the person

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

22 (B) is dependent on a parent or guardian for care, the parent or guardian
23 has been present in the state for at least two years immediately before the time of
24 application for the loan and the person has been present in the state for at least one year
25 of the immediately preceding five years except that the commission may by a two-thirds
26 vote, acting upon a written appeal by the person, grant an exemption to the requirement
27 that the person has been present in the state for one year of the immediately preceding
28 five years;

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

1 to

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

4 (ii) serving [,] for up to three years as a full-time volunteer under
5 the Peace Corps Act;

6 (iii) serving [,] for up to three years as a full-time volunteer under
7 the Domestic Volunteer Service Act of 1973;

8 (iv) required medical care for the applicant or the applicant's
9 immediate family;

10 (v) being a person who otherwise qualifies as a resident and is
11 accompanying a spouse who qualifies as a resident under (i) - (iv) of this
12 paragraph; or

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

17 (i) participating in a foreign exchange student program recognized
18 by the commission;

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

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

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

23 (v) being a person who otherwise qualifies as a resident and is
24 accompanying a spouse who qualifies as a resident under (i) - (iv) of this
25 paragraph; and

26 (4) does not have a past due child support obligation established by court order
27 or by the child support enforcement division under AS 47.23.160 - 47.23.220 at the time of
28 application.

29 * Sec. 17. AS 14.43.160 is amended by adding a new paragraph to read:

30 (7) "half-time student" means an undergraduate, graduate, or career education
31 student who during the semester is enrolled and is in regular attendance at classes at one or more

1 public or private institutions of higher education for at least a total of six semester credit hours
2 or an equivalent of six semester credit hours, and includes a career education student enrolled
3 and in regular attendance in classes for at least 15 hours a week.

4 * Sec. 18. AS 14.43.255(c) is amended to read:

5 (c) The commission [STUDENT FINANCIAL AID COMMITTEE CREATED UNDER
6 AS 14.43.095] may sell or assign notes and other instruments evidencing memorial scholarship
7 loans to the Alaska Student Loan Corporation and enter into agreements with the corporation
8 relating to loans, the administration of the student loan fund created under AS 14.42.210, and the
9 payment of and security for bonds of the corporation. Proceeds from the sale or assignment of
10 a note or other instrument shall be deposited in the appropriate memorial scholarship loan fund
11 account.

12 * Sec. 19. AS 14.43.320(a) is amended to read:

13 (a) The memorial scholarship loans provided for under AS 14.43.250 - 14.43.325 shall
14 be administered by the executive director [SECRETARY] of the commission [STUDENT
15 FINANCIAL AID COMMITTEE UNDER AS 14.43.095 AND 14.43.105], subject to review by
16 the commission [COMMITTEE] and to those regulations the commission [COMMITTEE] may
17 prescribe to carry out the purposes of AS 14.43.250 - 14.43.325.

18 * Sec. 20. AS 14.43.405(a) is amended to read:

19 (a) The educational incentive grant program established under AS 14.43.400 - 14.43.500
20 shall be administered by the executive director of the commission [SECRETARY OF THE
21 STUDENT FINANCIAL AID COMMITTEE UNDER AS 14.43.095 - 14.43.105], subject to
22 review by the commission [COMMITTEE] and to those regulations the commission
23 [COMMITTEE] may adopt to carry out the purposes of AS 14.43.400 - 14.43.500.

24 * Sec. 21. AS 14.43.415(a) is amended to read:

25 (a) A student may apply for an educational incentive grant if the student

26 (1) is a resident of Alaska;

27 (2) is either

28 (A) enrolled as a full-time undergraduate student in a degree program in
29 an accredited postsecondary educational institution; or

30 (B) eligible to be admitted to an accredited postsecondary educational
31 institution; and

1 (3) establishes financial need in accordance with standards for determining
2 financial need adopted by the commission [COMMITTEE] under 20 U.S.C. 1070c-2.

3 * Sec. 22. AS 14.43.415(b) is amended to read:

4 (b) The commission [STUDENT FINANCIAL AID COMMITTEE] shall, by regulation,
5 establish a system of priority in the selection of recipients of grants under AS 14.43.400 -
6 14.43.500 under which students from "low income" families or whose incomes are considered
7 "low income" shall be given preference in the award of the educational incentive grants.

8 * Sec. 23. AS 14.43.620(b) is amended to read:

9 (b) The commission [STUDENT FINANCIAL AID COMMITTEE CREATED UNDER
10 AS 14.43.095] may sell or assign notes and other instruments evidencing teacher scholarship
11 loans to the Alaska Student Loan Corporation and enter into agreements with the corporation
12 relating to loans, the administration of the student loan fund created under AS 14.42.210 and the
13 payment of and security for bonds of the corporation. Proceeds from the sale or assignment of
14 the notes or other instruments shall be deposited in the teacher scholarship revolving loan fund.

15 * Sec. 24. AS 14.43.630(a) is amended to read:

16 (a) The teacher scholarship loan program shall be administered by the commission
17 [STUDENT FINANCIAL AID COMMITTEE (AS 14.43.095)] in accordance with regulations
18 adopted by the commission [COMMITTEE]. The commission [COMMITTEE] shall

19 (1) allocate the loan awards available for teacher scholarship loans annually to
20 local school boards giving a preference to rural school districts; and

21 (2) develop and distribute to the local school boards an application form for
22 teacher scholarship loans; the form shall include a requirement that the applicant supply a high
23 school academic transcript and a statement of intent to enter a teaching career at the elementary
24 or secondary school level in the state.

25 * Sec. 25. AS 14.43.650(a) is amended to read:

26 (a) To be eligible for a teacher scholarship loan, a student must

27 (1) be a graduate of a public or private high school in the state, with sufficient
28 credits to be admitted to an accredited college or university;

29 (2) be enrolled in or show evidence of intent to enroll in a degree program
30 directed at a teaching career at the elementary or secondary school level;

31 (3) meet the conditions set by the student's local school board with respect to the

1 district's requirements for teachers in particular subject areas;

2 (4) submit to the local school board an application provided by the commission
3 [STUDENT FINANCIAL AID COMMITTEE] under AS 14.43.630(a)(2); an application may be
4 submitted six months before graduation from high school; and

5 (5) not have a past due child support obligation established by court order or by
6 the child support enforcement division under AS 25.27.160 - 25.27.220 at the time of application.

7 * Sec. 26. AS 14.43.720(b) is amended to read:

8 (b) The commission [STUDENT FINANCIAL AID COMMITTEE CREATED UNDER
9 AS 14.43.095] may sell or assign notes and other instruments evidencing family education loans
10 to the Alaska Student Loan Corporation and enter into agreements with the corporation relating
11 to loans, the administration of the student loan fund created under AS 14.42.210, and the
12 payment of and security for bonds of the corporation. Proceeds from the sale or assignment of
13 notes and other instruments shall be deposited in the family education loan account.

14 * Sec. 27. AS 14.43.730 is amended to read:

15 Sec. 14.43.730. ADMINISTRATION. The family education loan program shall be
16 administered by the commission [STUDENT FINANCIAL AID COMMITTEE (AS 14.43.095)]
17 under regulations that it adopts [ADOPTED BY THE COMMITTEE].

18 * Sec. 28. AS 14.43 is amended by adding a new section to article 9 to read:

19 Sec. 14.43.990. DEFINITION. In this chapter, "commission" means the Alaska
20 Postsecondary Education Commission.

21 * Sec. 29. AS 14.43.095 and 14.43.160(2) are repealed.

22 * Sec. 30. This Act takes effect July 1, 1991.

STATE OF ALASKA

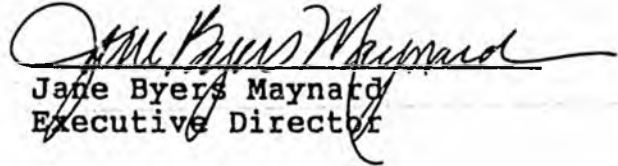
ALASKA COMMISSION ON POSTSECONDARY EDUCATION

4-24-91 Copy to
SUSIE +
H (EM)
this date
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CS for Senate Bill No. 77

On March 29, 1991, members of the Commission on Postsecondary Education voted to continue to support legislation in the form of CSSB 77, offering a half-time Student Loan Program for those Alaskan students who are unable to pursue postsecondary education on a full time basis.


Jane Byers Maynard
Executive Director

April 15, 1991
Date

SB 77. AN ACT RELATING TO STUDENT LOANS

Broadens the group of persons eligible for the student loan program to include the serious half-time student.

MUST BE ENROLLED IN GOOD STANDING IN A CAREER EDUCATION, ASSOCIATE, BACCALAUREATE, OR GRADUATE DEGREE PROGRAM

MUST TAKE AT LEAST 6 SEMESTER CREDIT HOURS OR BE IN REGULAR ATTENDANCE IN CAREER EDUCATION CLASSES AT LEAST 15 HOURS A WEEK

Loan terms would be less than half what they are for full-time students.

	<u>HALF-TIME</u>	<u>FULL-TIME</u>
UNDERGRAD MAXIMUM	\$2,000/YR.	\$5,500/YR.
GRADUATE MAXIMUM	\$2,500/YR.	\$6,500/YR.
REPAYMENT	5 YEARS	10 YEARS
INTEREST	8%	8%

Two major differences.

HALF-TIME
BOOKS, TUITION, FEES
IN-STATE SCHOOLS ONLY

FULL-TIME
BOOKS, TUITION, FEES, ROOM, BOARD
IN-STATE AND OUT-OF-STATE SCHOOLS

Half-time loans would be awarded within the statutory cap (AS 14.42.032 allows 3% growth above the prior year's award). Applications would be processed by existing staff. Fiscal note of \$42,000 (corporate receipts) to print half-time loan application forms.

Minimal competition between half-time and full-time students. Loan funds have exceeded demand the last several years as demand has declined. No clear estimate of the number of half-time applicants. The Postsecondary Education Commission will likely set aside a portion of funds specifically for half-time loans (currently set aside 20% for vocational students).

Bond counsel has determined that the bill will have no impact on the indenture or other financing documents used in connection with the issuance of the corporation's bonds.

Legislative Legal Division finds no Constitutional problem with limiting half-time loans to attendance at schools in the state.

Postsecondary Education Commission has endorsed the concept of half-time loans.

ALASKA STATE LEGISLATURE

SENATE FINANCE COMMITTEE,
CO-CHAIR



Senator Pat Pourchot

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SPONSOR'S STATEMENT SB 77, RELATING TO LOANS FOR HALF-TIME STUDENTS

SB 77 would broaden the group of persons eligible for the state student loan program to include certain half-time students.

The bill is intended to address the needs of the "serious" half-time student; students who because of work, family, a disability, or some other demand are unable to devote themselves to full-time study but who have as much interest in, can benefit as much by, and certainly are as entitled to higher education as are those able to attend school full-time. "Seriousness" is ensured by the requirement that the half-time student be enrolled in good standing in at least six semester credit hours in a career education or degree program.

Eligibility requirements for half-time loans would be the same as for full-time loans. Loan terms would be less than half what they are for full-time students. In contrast to the full-time loan, half-time loan funds could be used only at in-state schools and only for tuition, books, and fees. All other provisions of the current loan program would apply to half-time loans -- the rate of interest would be 8%, repayment would begin within one year of completing study, and interest would accrue during the grace year.

Loans would be administered by the Postsecondary Education Commission as part of the existing full-time student loan portfolio. An increase in program funding would not be required -- loan funds would come from repayment of existing loans and state general funds appropriated annually to the program. While it is hard to predict what the demand for half-time loans might be, it is anticipated that any competition between half-time and full-time students for loan funds would be minimal. Funds have exceeded demand the last couple of years; in addition, existing statute allows for 3% program growth annually.

STATEMENT FROM SENATOR POURCHOT ADDRESSING COMMON QUESTIONS ABOUT SB 77:

1. Number of years that loans may be obtained

Under current statute, interest accrual and loan payments are deferred while the loan recipient is enrolled in school. Senator Fischer expressed concern that individuals would continue to take out loans so they could stay in school -- enrolling in a new program as soon as one was completed -- simply to delay loan payments. I would call the committee's attention to the following provisions:

AS 14.43.120(c) limits the number of years that a borrower may receive a loan to 5 years of undergraduate study, 5 years of graduate study, or not more than 8 years of undergraduate and graduate study combined. Half-time borrowing or a combination of half-time and full-time borrowing would be limited to these same maximums.

Sec. 13 of SB 77 limits the number of years that a half-time borrower is eligible for loan deferral (for continuing to stay enrolled in school) to 8 years.

2. Financial impact of expanding student loan program to include half-time students

Due to a number of occurrences in the late 1980's -- probably including the downturn in the state's economy and changes made to the student loan program to accommodate bonding (such as the repeal of the forgiveness provision, an increase in the interest rate, and accrual of interest during the grace period) -- demand for state student loans has dropped from a high of 17,173 borrowers in FY 85 (total cost \$75.1 million) to 11,000 in FY 91 (total cost \$54 million).

During this same period of time, revenues available to the student loan program have increased. A reduced default rate (due to aggressive loan collection efforts), and the fact that loans made in the high volume years are coming due, have resulted in increased loan repayments. Repayments have been supplemented with bond proceeds since 1988, and an annual general fund appropriation of \$10 million.

This mixture of funding has accommodated loan demand. Evensen Dodge, Inc., the financial advisor to the Student Loan Corporation,

predicts that if this funding pattern continues and loan demand remains static, the loan fund will be revolving by the year 2000-2002. It is conceivable that, in the short term at least, demand for half-time and full-time loans combined will not result in total program growth -- full-time demand may continue to decline; current full-time borrowers may convert to half-time borrowing.

Under no circumstance will borrowing grow unchecked. Current statute (AS 14.42.032) limits loan awards to a total value that exceeds by no more than 3% the loans awarded the previous year, regardless of demand. Even with the inclusion of half-time borrowers, it is unlikely that demand will grow in the near term at this rate.

According to Evensen Dodge, Inc., with an annual \$10 million general fund appropriation and 8% default rate:

	<u>1% Decline</u>	<u>No Growth</u>	<u>1.5% Growth</u>	<u>3% Growth</u>
Last year for bonds	1998	1999	2003	2006
Last year for GF	2000	2002	2004	2006

While it is possible to determine the number of students who would be eligible for half-time loans, it is difficult to determine how many of these students would choose to apply for a loan. It is conceivable that at some point in the future loan demand will exceed available loan funds, and that full-time students will be competing with half-time students for loan funds. In my opinion, this is not necessarily a "bad" situation. The goal of the student loan program is to enhance educational opportunities for Alaskans -- students who are not able to attend school full time are no less entitled, in my opinion, to state support for their education.

To handle any potential competition, the Postsecondary Education Commission will likely set aside a portion of funds (perhaps 15%) specifically for half-time borrowers. The Commission now sets aside 20% for vocational loans. This serves as a maximum amount; if demand for vocational loans in any given year is less, the funds are loaned to full-time students.

3. Cost of half-time attendance

Please find attached a memorandum prepared by the Postsecondary Education Commission addressing award cost data requested by the committee.

SECTIONAL SUMMARY
CSSB 77(HESS), RELATING TO HALF-TIME STUDENT LOANS

Sec. 1-6 Delete references to the Student Financial Aid Committee, which has not been operative for several years. Duties have all been assumed by the Postsecondary Education Commission.

Sec. 7 Establishes the undergraduate loan limit for half-time students at \$2,000 (full-time limit is \$5,500). Requires that regulations be adopted establishing the minimum amount for which a loan may be made.

Sec. 8 Establishes the graduate loan limit for half-time students at \$2,500 (full time limit is \$6,500). Requires adoption of regulations establishing minimum loan amount.

Sec. 9 Limits the use of half-time loan funds to books, tuition, and required fees. Full-time loan funds may also be used for room and board.

Sec. 10 Allows loans to be made to institutions that have been operating only one year if the commission determines the program is operating on a fiscally sound basis. Current statute requires two years of operation.

Sec. 11 Requires that half-time loan recipients be enrolled in good standing in a career education program, college, or university in the state. These are the same requirements that full-time students must meet, except that full-time loan recipients may attend school out of state.

Sec. 12 Requires repayment of a half-time loan within five years from the commencement of repayment. This is half of the 10 year repayment period for full-time loans.

Sec. 13 Allows for deferral of principal and interest when a half-time borrower returns to school (this same deferral provision applies to full-time students). Specifies that deferral of a half-time loan may not exceed eight years (no such limitation applies to full-time loans). Clarifies that the student must be enrolled full-time, not half-time, in order to defer a full-time loan.

Sec. 14 Allows for deferral of interest payments while the half-time borrower is in school (Sec. 13 applies only to a borrower who returns to school). This general deferral currently applies to full-time students.

Sec. 15 Conforming amendment per defunct Student Financial Aid Committee.

Sec. 16 Amends the eligibility provisions of the student loan program to include half-time, as well as full-time, enrollment in a career education,

associate, baccalaureate, or graduate degree program in the state. Full-time students may enroll out of state also.

Sec. 17 Defines half-time student as an undergraduate, graduate, or career education student enrolled and in regular attendance at classes for at least six semester credit hours, or a career education student enrolled and in regular attendance at classes for at least 15 hours a week. The definition of a full-time student is enrollment and regular attendance in at least 12 semester credit hours or the equivalent of undergraduate or career study, or 9 hours of graduate study.

Sec. 18-27 Conforming amendments per defunct Student Financial Aid Committee.

Sec. 28 Defines "commission" as the Alaska Postsecondary Education Commission.

Sec 29 Two repealers per defunct Student Financial Aid Committee.

Sec. 30 Effective date of July 1, 1991.

NOTE: All sections of CSSB 77(HESS) amend sections of existing law. Provisions of existing law that currently apply to full-time students but that are not referenced in SB 77 would apply to half-time students as well (8% interest, interest accrual during grace period, begin repayment within one year of completing study, default at 120 days, maximum five years worth of loans except eight years if obtain loans for both undergraduate and graduate study, garnishment of Permanent Fund dividends for defaulted loans, two year residency requirement).

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

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M E M O R A N D U M

TO: Members of the Senate HESS Committee

The Honorable Arliss Sturgulewski, Chair
 The Honorable Sam Cotten
 The Honorable Paul Fischer
 The Honorable Lyman Hoffman
 The Honorable Curt Menard

FROM: Jane Byers Maynard, Executive Director *JBM*
 Alaska Commission on Postsecondary Education

THROUGH: The Honorable Pat Pourchot
 Alaska State Senate

SUBJECT: SB 77: Half-Time Loans

DATE: February 8, 1991

This information is in response to the Committee's request for half-time loan award cost data. The following are examples of maximum allowable costs based on actual expenses at the campuses listed.

SCHOOL	UNDERGRADUATE		GRADUATE
	6 CREDIT HRS.	9 CREDIT HRS.	6 CREDIT HRS.
<u>University of Alaska Anchorage</u>			
Tuition/Fees	\$ 635	\$ 953	\$1,154
Books/Supplies	<u>220</u>	<u>330</u>	<u>220</u>
Total Costs	\$ 855	\$1,283	\$1,374
Maximum Award	\$ 850	\$1,250	\$1,350
<u>University of Alaska Fairbanks</u>			
Tuition/Fees	\$ 552	\$1,060	\$1,080
Books/Supplies	<u>150</u>	<u>225</u>	<u>150</u>
Total Costs	\$ 702	\$1,285	\$1,230
Maximum Award	\$ 700	\$1,250	\$1,200
<u>Alaska Pacific University</u>			
Tuition/Fees	\$2,724	\$4,086	\$3,096
Books/Supplies	<u>250</u>	<u>375</u>	<u>250</u>
Total Costs	\$2,974	\$4,461	\$3,346
Maximum Award	\$2,000	\$2,000	\$2,500

Members of the Senate HESS Committee
February 8, 1991
Page 2

We are unable to provide an adequate answer to the Committee concurring potential delinquency and default rates of half-time borrowers. An assumption could be made that since most of these individuals are currently employed and since many are seeking training to upgrade their skills for better employment opportunities, they should have adequate ability to repay loans after program completion.

We have no reason to suspect that this borrowing population's payback record would be less than that of full-time borrowers. Since the total borrowing is expected to remain about the same, the default rate should not be adversely affected.

Finally, federal loan default rates are not delineated for half-time versus full-time borrowers, so there appears to be no historical data to rely on to fully address this concern.

#4350T

From Jayne Maynard
2-11-91

SB 77 Fiscal Note Worksheet
Based on est. 5000 awards

Prom. Notes	1250
<i>One prom. note @ .25 per award</i>	
Warrants	3500
<i>Three warrants per award @ .23 ea.</i>	
Applications	3500
<i>Three apps. per award @ .23 ea.</i>	
Postage	5000
Statements	25000
<i>Twelve monthly billing statements @ .42 per statement inc. postage</i>	
Mailer	3750
<i>Three mailers per award @ .25 ea.</i>	
TOTAL	\$42,000


STEVE COWPER, GOVERNOR

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

P.O BOX FP
JUNEAU, ALASKA 99811-0599
PHONE: (907) 465-2854

Senate Bill No. 77

The members of the Commission on Postsecondary Education endorse the concept of a half-time Student Loan Program to provide opportunities for those Alaskan students who are unable or disinclined to pursue postsecondary education on a full-time basis.


Jane Byers Maynard
Executive Director

More States Are Providing Aid to Those Who Study Part Time

By GOLDIE BLUMENSTYK

Pamela J. Powell has a demanding schedule. A single parent of two grade-school-aged children, she commutes 30 minutes each way to her job at a drug company, and spends two evenings a week and Saturday afternoons in classes at the Newark campus of Rutgers University.

Fortunately for Ms. Powell, who aspires to be a lawyer, New Jersey's student financial-aid policies no longer force her to choose between a job and a college education. Ms. Powell, whose load of three courses a semester makes her a part-time student, can continue to receive state financial aid under a special program started this year.

Changing Nature of Student Body

Unluckily for Jennifer J. Daniels, the State of Washington does not have a similar program. Ms. Daniels is blind and says it is too difficult for her to attend Tacoma Community College full time because transportation poses special problems and she would need to spend an extra \$760 a semester to pay people to read to her.

But students like Ms. Daniels could soon receive help. This year state lawmakers are expected to approve a new program that would provide money to needy part-time students.

"It's really a recognition of the changing composition of the student body," says State Rep. Ken G. Jacobsen, chairman of the Higher Education Committee.

Washington is not alone. Increasingly, state officials are

dealing with the financial needs of the fastest-growing segment of the higher-education market by expanding their financial-aid programs so that working people, parents, and students with disabilities who must attend college part time can receive state aid. Today at least 30 states offer some kind of financial aid for part-timers, although some of the programs are restricted to certain kinds of students.

For example, the New Jersey program that serves Ms. Powell is only for students accepted under special conditions and who require academic help and counseling.

More than half of the 11,000 students in the program come from families with annual incomes of less than \$6,000, and even though they also qualify for federal financial aid, "there's pressure on them to pick up some additional money," says Kwaku Armah, executive director of the program.

Some students, like Ms. Powell, seek to study on a part-time basis, so that they can take a better-paying job, he says. Others are advised to take a lighter course load to help them adjust to college work. But until the state changed its financial-aid policy for them, they could not afford to do so.

In several other states—including Maryland, where the Higher Education Commission will re-evaluate its entire range of state student-aid programs next summer—coordinating boards are considering proposals to create such programs.

State Action Called Overdue

The federal government has made Pell Grants available since 1980 to students carrying at least a "half load" of courses. Beginning in 1990 needy students enrolled for less than half a course load also would be eligible, although it is still unclear whether or there will be enough money in the

budget to meet the demand after first satisfying the needy full- and half-time students.

Typically, the financial aid for part-time students provided by states is available only to students taking at least a half load, although Vermont provides aid for students not pursuing a degree if they are taking courses related to their job, and Iowa next year will expand its part-time aid program to include students who take even one course.

For many advocates of financial aid to part-time students, state action of any kind is long overdue.

Students who are working or supporting families "need the help the most," says Joseph S. Murphy, chancellor of the City University of New York and a leading proponent of government support for part-time students.

New York has had such a program for five years. Even so, CUNY lobbyists this year hope to remove some of what Mr. Murphy calls the program's "onerous" requirements. If the student fails to maintain a passing grade-point average, the colleges must return most of the aid to the state, a cumbersome and expensive process. As a result, Mr. Murphy says, institutions are reluctant "to advertise the program, make it widely available, or even participate."

Lawrence N. Gold, a lobbyist in Washington who used to be employed by CUNY and worked to expand the Pell Grant program to students attending less than half time, says the problems with the New York program illustrate a more troublesome issue. Even in states where officials have committed substantial resources—\$11-million in the case of New York—other factors can undermine the effectiveness of programs.

Working students often cannot go to a financial-aid office during regular business hours, and sometimes program budgets do not provide enough money for those offices to maintain

evening hours. Also, Mr. Gold says, some financial-aid officials are reluctant to promote the programs. They require more work than preparing an aid package for a full-time student, since smaller sums are distributed to a greater number of students.

To overcome such barriers, states such as Michigan, which spent \$2-million for aid to part-time students last year, sponsor special campaigns to publicize the programs, including public-service announcements on radio and television stations.

Still, in some states, lawmakers and higher-education officials have rejected the idea of using state money for such programs altogether.

In some of those states, the officials believe the part-time student "is probably not a very serious student, whatever serious means," says Jerry S. Davis, director of policy and research analysis for the Pennsylvania Higher Education Assistance Authority. He compiles an annual survey on state financial-aid programs.

In Pennsylvania, for example, a bill to establish an aid program for part-time students has failed to win support from the General Assembly for each of the last three years, although the state does have an extensive financial-aid program for full-timers.

'A Solomon-Like Decision'

Lawmakers believe "their need isn't as great because they have a job and they're only paying half the tuition and most of them are attending lower-cost community colleges," Mr. Davis says.

Others see the need to help part-time students, but believe that the states should not be the ones to meet it.

W. Ann Reynolds, chancellor of the California State University System, contends that it is a much more appropriate role for the federal government. She notes that many states, including California, are constrained financially by laws that restrict state spending and by cyclical economic conditions.

"We don't have the funding" to pay for the needs of both full-time and part-time students, she says. Deciding which group to serve would present "a Solomon-like decision for us and kind of an awful one."

Ms. Reynolds says California already assists part-time students with its low college costs.

The opposite is true in Vermont, a state with a policy of charging high tuition in public colleges and matching it with large financial-aid awards for needy students.

The Vermont experience also illustrates another problem for state financial-aid programs. Before Vermont started its aid program for part-time students, it was able to meet 60 per cent of the financial-aid needs of full-timers. Today it can afford to meet only 40 per cent of those needs.

Suzanne A. Valenti, executive director of the Vermont Higher Education Planning Commission, says that is the reason she was initially uneasy about the program, now in its fourth year.

"I had some questions about divvying up the pie," she says. "I think it has hurt in that regard."

But Ms. Valenti says she also realizes that not every student "needs or wants a degree," and that many of the part-time students—81 per cent of whom are women—could not have had a college experience without the state program.

"There was obviously an erosion of aid for traditional students," she says, but "it's probably helping the people who need it most."

SB

79

HOUSE COMMITTEE REPORT

(11)

Date Referred: March 15, 1991

FURTHER REFERRALS:

Date of Committee Action: 4.24.91

The FINANCE Committee considered:

SB 79 am

SENATE BILL NO. 79 am

ENVIRONMENTAL EDUCATION CURRICULUM

"An Act relating to a curriculum for environmental education."

RECOMMENDATIONS:

be replaced with HCS SB 79 (Fin) the same title

a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): _____ (Dept)

APPROVES PREVIOUS: _____ (Dept/Date)

fiscal impact _____

fiscal note(s) _____

zero fiscal note _____

zero fiscal note(s) EDUCATION

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
Eileen P. Meehan	✓				
Mike Savare	✓	Robert Murray		X	
Ken Borawski	✓	Robert Murray		✓	
Joseph	✓	Ronald J. ...		X	
Frank ...	✓	Robert Murray			
Matthew ...					
George ...	X				



 CHAIRMAN'S SIGNATURE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. HCS SB 79 (HESS)

Revision Date: _____ Department Affected: Education
 Title: Curriculum for environmental education BRU: Education Program Support
 Component: Data Management
 Sponsor: House HESS
 Requestor: House HESS COMPONENT SERIAL NO.

	1	6	4
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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: -0-

ANALYSIS: (Attach a separate page if necessary.) SB 79 does not require an increased appropriation to the Department. However, it will increase costs at the local level to the extent required by the reporting and evaluation function.

Prepared By: Mary Hakala Phone: 465-2800
 Division: Commissioner's Office Date: 3/19/91
 Approved by Commissioner: Steve Hole, Acting Commissioner
 Agency: Education Date: 3/19/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

HOUSE CS FOR SENATE BILL NO. 79 (FINANCE)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS ADAMS, Hoffman, Kerttula, Zharoff, Eliason, Uehling, Pourchot, Menard, Fischer
REPRESENTATIVES Mackie, Lincoln

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to a curriculum for environmental education."

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

3 * Section 1. AS 14.03.120(e) is amended to read:

4 (e) A district shall, by October 31 of each year, provide to the state board, and make
5 available to the public, a report on the performance of each public school and public school
6 students in the district. The report must be entitled "School District Report Card To The Public"
7 and must be prepared on a form prescribed by the department. The report must include

8 (1) the percent of district students in the top and bottom quarter of standardized
9 national achievement examinations; results under this paragraph shall be disclosed in a manner
10 that does not reveal the individual identities of students;

11 (2) the percent of students who are not promoted to the next grade;

12 (3) student, parent, and community member comments on the school's
13 performance;

14 (4) the annual percent change in enrollment and the percent of enrollment change

1 due to student transfers into and out of the district;

2 (5) attendance, retention, and graduation rates;

3 (6) the ways in which meaningful parent involvement in school performance was
4 achieved;

5 (7) a summary and evaluation of the environmental education curriculum
6 described in AS 14.30.380;

7 (8) other indicators of school performance required by the state board; and

8 (9) [(8)] other indicators of school performance selected by the district.

9 * Sec. 2. AS 14.30 is amended by adding a new section to read:

10 ARTICLE 4A. ENVIRONMENTAL EDUCATION

11 Sec. 14.30.380. ENVIRONMENTAL EDUCATION. The board shall encourage each
12 school board to initiate and conduct a program of environmental education for kindergarten
13 through grade 12. The program should include, but is not limited to, education regarding the
14 need to balance resource development with environmental safeguards, the dependence of the state
15 on resource development, and the opportunity for pollution prevention, waste reduction, and
16 recycling. A school board may implement environmental education as a part of regular
17 classroom studies.

Superintendent aims to link cultures in school

Patsy Aamodt was a teacher in Point Hope when the North Slope Borough School District was formed in 1973.

In those days, teaching materials were in short supply. Most school buildings were cramped and falling apart. Administrators had to worry as much about running out of fuel as raising student test scores.



Patsy Aamodt

Seventeen years later, the district is up to national standards in terms of facilities and staffing. Its focus is now on academics. And Patsy Aamodt is beginning her first full year as the district's first Inupiaq superintendent.

Patsy still remembers some of the lessons she learned as a teacher in Point Hope. One of those lessons had to do with the importance of conducting the educational process in terms that kids understand.

Qausagniq spoke with Patsy about the challenge of education and its relationship to Inupiaq culture. Here are some of her comments.

"One of my priorities is to formally acknowledge that we are here on the North Slope. In trying to teach concepts, we have to start with the knowledge and the envi-

ronment that is here. Kids learn best when they start with things that are familiar to them.

"For example, if a teacher is doing a unit on fish, he or she should start with pictures of the kinds of fish we catch around here. If they're doing a lesson on the water cycle, use photographs of our lakes and our ocean and our land to show how it works here.

"Some teachers have been doing this, and they've had great success with it.

"One teacher brought whaling captains into the classroom. She used them to teach her students about the reasons for things.

"The whaling captains told the kids why it's important to be quiet and follow directions when you're out on the ice. Otherwise you might lose a whale.

"They also explained that there needs to be a person in charge in order to be successful in the hunt.

"Afterwards the teacher appointed 'whaling captains' among her students to make sure that papers got passed out or to be line leaders.

"The children learned two things from this. They learned about the concepts of being quiet and following directions. They also learned that their parents' way of life is okay. It has to be okay, because the teacher used that way of life in her teaching.

"So we've been using this approach, but only in pockets. Now we're going to do it district-wide. We're formally telling teachers that they have lots of local resources.

"We have Inupiaq cultural learning banks at all the schools. Elsie Itta is our new Coordinator for Cultural Integration. She will work closely with teachers throughout the district to help them incorporate local materials in the curriculum. We're just taking what's around us into the classroom.

"I think my role as Superintendent is to see how it all connects. I have to make sure we're connecting to both worlds. This was not done in the past. That's why a lot of our parents have painful memories of schooling. We don't need to shut out the Inupiaq world to teach basics." △

Healing ourselves from fears

Old fears oppress us. They can hamper our growth. We learn nothing from them.

Yet many of us continue to be afraid, for reasons we have long since forgotten or never knew. Our bodies sometimes carry the weight of these old fears. A cringing of the shoulders or a knot in the gut may be part of the legacy.

Our growth as free beings may depend on shedding these old fears. They are as real as viruses, and they make us ill in similar ways.

When we discard old fear, we have a sense of liberation. Whatever wound that old fear was protecting can be healed. We are ready to face life as it comes, not as we fear it might come.

Healing myself empowers me to shed the fears that limit my growth.

- A health tip from the NSB Health Educator

THE ECOKID CORPS

School-age crusaders can be a pain in the neck, but they may be the best hope for the cause of preservation

By PHILIP ELMER-DEWITT

Kimberly Carr, 10, of Montgomery, Vt., recycles her garbage and is designing a board game in which the goal is to save the elephants. Elizabeth Bayley, 17, is active in a Seattle-based youth group that organizes tree plantings, stencils storm drains with DUMP NO WASTE notices and monitors pollution in Puget Sound. Jeremiah Johnson, 10, from Brentwood, N.Y., puts his McDonald's detritus in recycling bins, tells his mother how long it takes each shopping bag to biodegrade and intervenes whenever his younger brother is about to commit an environmental outrage, like pulling the legs off a defenseless (and ecologically valuable) spider.

These determined do-gooders are just a few of the ecokids, the new generation of conservation-conscious, environmentally active schoolchildren. The Earth Day ardor of their parents may be cooling, but these pint-size crusaders have lost none of theirs. Bombarded with ecomessages in school, in the press, on TV and in pop-music lyrics, the youngsters have become convinced that they were put on the planet for the express purpose of saving it.

The trend is a natural, especially for the sons and daughters of thirty- and forty-something parents raised during the activist 1960s. "Environmentalism is youthful now in the way that feminism was in the late '60s," writes Rosalind Coward in the British magazine *New Statesman & Society*. "It is the dominant political concern among the young, the main place where perceived discontents are articulated."

That is true in other countries as well. Swedish school kids have bought and preserved 65,000 hectares (160,000 acres) of virgin rain forest in Costa Rica with money earned collecting old newspapers and recycling aluminum cans. Japanese students have mounted a campaign to eliminate dis-

posable wooden chopsticks and replace them with reusable plastic models. Children in one Soviet town were able to persuade the sluggish local government to hasten construction of a roundabout that would allow traffic to bypass the center of town and thus reduce pollution. In Brazil the number of nongovernment environmental groups has swelled from 500 three years ago to nearly 4,000; they include many children.

But nowhere is the kiddie movement stronger than in the U.S. Youngsters are picketing supermarkets, boycotting restaurants and writing Congressmen, sometimes on recycled paper they have painstakingly mixed, pressed and dried themselves. The White House reports that it receives hundreds of environmental entreaties every

day from citizens too young to make their views known in the ballot box.

Their efforts can be surprisingly effective. Barbara Lewis' sixth-grade class at Jackson Elementary School in Salt Lake City not only pressured the Environmental Protection Agency into clearing a 50,000-bbl. hazardous waste dump but

helped push through a reluctant state legislature a bill to pay for such clean-ups. "Parents believe you can't beat city hall, and find reasons not to get involved," says Andrew Altman, a spokesman for Greenpeace. "Kids don't have that kind of cynicism. They just get things done."

The younger generation's feelings about the environment have not escaped the notice of corporate America. Many companies, including fossil fuel-burning utilities and the manufacturers of nonbiodegradable plastics, have begun looking for ways to present a better face to their future clientele. *Recycle This*, a professional theater production touring U.S. high schools and featuring rock-'n'-roll and rap songs about landfills and solid waste, is sponsored by Dow Chemical, a major producer of polystyrene.

Activists eager to mobilize children do not hesitate to use show biz, though some might call it propaganda. Turner Broadcasting is producing a half-hour syndicated cartoon show in which a superhero named Captain Planet and a youth corps called the Planetees valiantly fight villainous pollut-

ers like Dr. Blight. The back cover of one issue of *P3* (for Earth, the third planet from the sun), a glitzy new environmental magazine for kids, shows a Teenage Mutant Ninja Turtle shouting to readers. "Hey, dudes! Earth is a cowabunga planet! Let's keep it radical!"

The kids do not need much convincing. Like their parents, who remember the nuclear-blast drills of the 1950s and grew up fearing the Bomb, they have heard frightening stories of leaking waste drums, growing ozone holes and vanishing species. "I hope the earth is O.K. when I grow up," says young Kimberly Carr, speaking for many in her generation, "because I don't want to have to find another place to live."

—Reported by Janice M. Horowitz/
New York, with other bureaus



At Tecumseh Elementary School in Xenia, Ohio, children pour lunchroom scraps into the compost heap of their "land lab" behind the school



Pledging to do their part for the environment, thousands of youngsters celebrated Earth Day in New York City's Central Park last April

...passing by, waving the coin. This particular Santa has been spreading advertising words for Coca-Cola at the intersection of Sixth Avenue and

city north wind picks up to 15 mph — dropping the wind chill to 30 below by this afternoon. But the weather is expected to warm up Monday.

month asking for some variation of the word fornicator," she said with a laugh. "You know, they'll use 4NCATR or FRNKTR, or

...on her desk at once.

Ever see tags with the prefixes TOY or CAL? They belong See Plates, page A11

School reforms are making the grade

Alaska educators find new solutions to old problems

By NANCY PRICE

TIMES WRITER

There's a quiet revolution being waged in Alaska education in the state's largest cities and a tiny Eskimo village, from the North Slope to Southeast.

On the front lines are school teachers, university faculty and parents, armed with a variety of battle plans but sharing a common goal: to improve their local schools and give students a fighting chance at academic success.

Alaska has more than its share of what educators call "at-risk" students who, because of physical, mental or sexual abuse, parental neglect, drug or alcohol abuse and frequent transfers to new schools, are likelier to fail in school and drop out, thus crippling their chances for success later in life.

State officials estimate that 80 percent of Alaska's at-risk students are Natives, whose battle against low self-esteem sometimes ends in alcohol or sub-

stance abuse or suicide.

But with the help of public and private universities, local schools with high numbers of at-risk students are being restructured with programs and curriculum that address their needs.

The schools' efforts are being boosted by a small federal grant making a big difference for hundreds of Alaska school children.

The state was awarded a 3-year, \$200,000 annual grant from the U.S. Department of Education's Fund for the Improvement and Reform of Schools and Teaching.

Alaska's was one of 1,350 proposals submitted to the U.S. Education Department, of which only 15 were chosen for funding, said J. Kelly Tonsmeire, director of the Coalition for Alaskan At-Risk Youth and the Alaska Staff Development Network in Juneau and the proposal's architect.

"The focus is on school restructuring," Tonsmeire said.

See Schools, page A8



Times photo by ROB LAYMAN

Cale Witham, left, and Cody Davis, third-graders at Denali Elementary School in Fairbanks, examine the remnants of the Pedro Dome fire collected by the class on a science field trip this fall. The fifth-graders collected burned insects, leaves and charred aluminum cans. Denali is one Alaska school developing new teaching techniques to improve academic success. In today's story the Times profiles efforts at Denali, Point Hope, Sitka and two Anchorage schools to make education more relevant and help at-risk children.

Schools

Continued from page A1

"We need dramatic alternatives to meet the needs of kids. Kids today have a lot of problems, compared to when you and I were going to school."

Training seminars and workshops have taken place throughout the state, providing teachers with additional skills useful in educating at-risk students.

But the project is most visible at five schools — two in Anchorage, and one each in Fairbanks, Point Hope and Sitka, where science, extensive teacher training, visits by village elders and peer counseling are making a difference.

NEARLY 300 MILES north of Anchorage, the students at Fairbanks' Denali Elementary School are learning about the environment, Alaska's boreal forests, magnetism, snakes and acid rain.

Denali, nicknamed "The Discovery School," is the state's first science magnet elementary.

A 40-year-old, two-story cinder block building in Fairbanks' downtown, Denali is the district's oldest continuously operating school. In the past, the multicultural student body — nearly half the students are minorities — had low standardized test scores and a demoralized faculty.

But now student performance is skyrocketing, teacher vacancies are few and far between, and many of the school's 450 students are talking about becoming scientists when they grow up.

When she was younger, Angela Ernat wanted to become an artist. But about two years ago, "all of a sudden I started thinking about whales and stuff," the fifth-grader said. "Now I want to be a marine biologist. One night I started thinking up questions, like, do they sing the same songs, or different ones? Also I'd like to go to where they sell fishing (drift) nets and make them stop."

Third-grader Jaren Philleo "used to hate math," reports her mother, Barbara. "But in the car on the way to school she told me she likes to do math homework. Whether that has to do with the math-science emphasis I can't say, but she's definitely an artsy-letters type of person."

The idea of a science magnet school developed during a discussion about two years ago among a few teachers and parents, said principal David Hagstrom and Sandy Lanning, a physical education teacher.

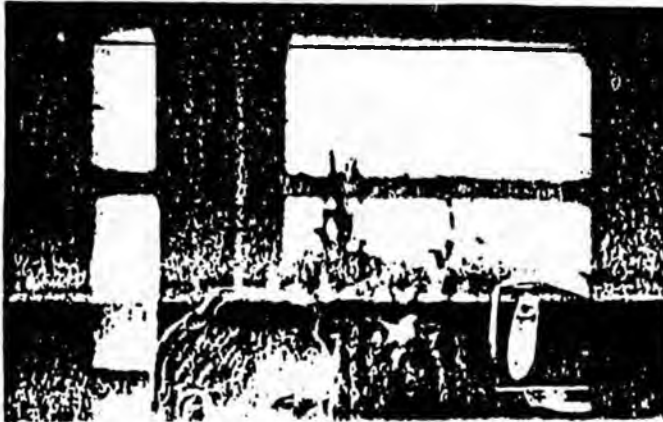
"We asked, are we really doing enough inside school to tap how kids are?" Lanning said. "We said, yeah, we ought to do more exploring inside of school. Instead of being wedded to some boring science textbook, we should let them discover things for themselves."

Denali's transformation into a magnet school occurred with little capital expense, said Hagstrom, an associate professor of education at the University of Alaska Fairbanks who was granted a 3-year leave to become Denali's principal.

"We decided at the beginning we were talking about a mind set," he said. "Other schools get themselves all equipped and then teachers are slow to use the equipment. I've seen it with computers. We decided to go at it differently."



Point Hope elder Irene Gallhorn tells tales of going to reindeer camp when she was a little girl as fourth-grader Helen Attungana listens in disbelief.



Nearby woods serve as the school's outdoor laboratory, where students can study trees, leaves and the occasional wild animal.

The school also has a garden, suggested and supervised by parent Jan Hanscom, where students learn how plants grow. Parents constructed grow carts last year so plants can get an early start on Fairbanks' short growing season.

What the school saved on equipment is going for manpower. The school hires substitutes on Fridays to fill in for regular classroom teachers when they meet with UAF professors to explore science and devise the curriculum.

Knowing that their teachers are also students has been an exciting discovery for Denali's youngsters, Luning said.

"Edith Dunehew's sixth-graders, she goes back to her class and they ask, 'Hey, what did you learn today?'" she said. "She tells them, 'Hey, I have an assignment due,' and they help her with the assignment."

Denali's teachers decided to concentrate on science in part because elementary teacher training usually focuses on language arts and social studies, said Bruce Tillitt, the school's curriculum specialist.

But the teachers knew they needed help and called on Doug Schamel, an instructor in biology and wildlife at UAF's College of Natural Sciences, and Nancy Murphy, an assistant professor of education with the Fairleigh College.

"When they're learning about a topic and how to go about teaching it, they feel a couple of things," Schamel said. "It's the same things their students feel when they're introduced to a new topic — 'Aaaaargh' — and then, 'wow, this is fun.'"

Schamel said imparting the process of science is one of his goals, because it will enable teachers to become "comfortable investigating something where they may not have much information. If they're brave enough, they can learn with their students."

The attitudes of the teachers toward their instructors has changed perceptibly over the past year and a half, Murphy said.

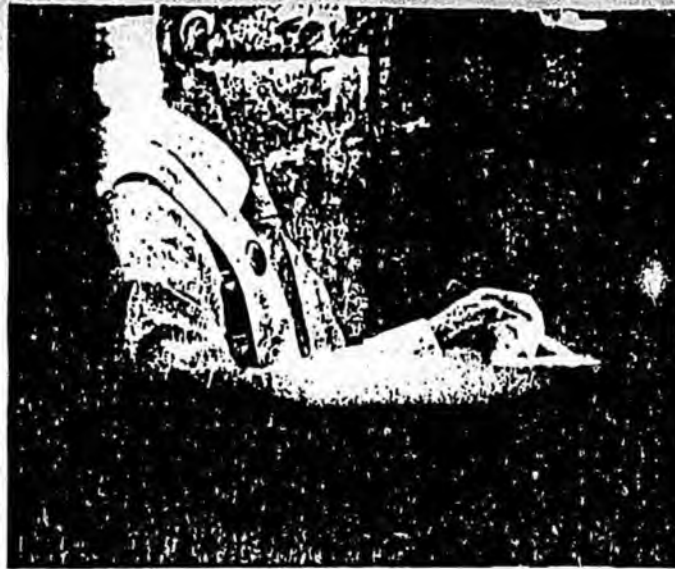
"When Doug came in, people were very honored, and acted like 'What can you do for us?'" she said. "It's evolved into, 'That's nice, but what do we really need? What can we tell the university that teachers need? And they're seeing Doug take their suggestions back.'"

The science instruction absorbed by teachers is being integrated into the entire curriculum, including reading and social studies.

"One of the reasons I was glad to come here is because science is a wonderful way to get children to start building language," said Felicia Leisalg, who is in her second year as Denali's reading specialist. "People are beginning to integrate more of their day. We've got to put it all together in an integrated way. I'm probably the biggest advocate of the garden — it's a wonderful experience."

Even the youngest students get a regular science diet. Kindergarten teacher Katie Brown explained how she used poems from a reading series to teach math concepts.

With the poem "Crackers and Crumbs," she



Bruce Tillitt, the curriculum specialist at Denali Elementary School in Fairbanks, leads his class of teachers in a new science module.



Crawford Philico, a kindergarten student at Denali Elementary in Fairbanks, listens to a read-along book during his free time in class. The 5-year-old was just awarded the school's terrific kid award.

gave the students plastic bags with crackers and had the students count and sort the crackers and then graph the results.

For "Nine Things I Like To Keep in My Pocket," students were given magnetic and nonmagnetic items and then predicted which would stick on different surfaces.

On a recent Friday, third-graders learned about the after effects on flora and fauna of last summer's Pedro Dome fire in a slide show presentation by fifth grade students Jim Adams and Mike Fink.

Afterward, they handled specimens such as tree sections and leaves that students collected on a visit to the burned forest.

"Ooh, I have a stinker bug," one student commented as he gazed into a specimen container.

"Use your magnifying glass," a nearby student urged.

Meanwhile, fifth-graders were turning their downstairs classroom into a jungle, complete with crepe paper palm trees, a waterfall of blue paper stuck to the blackboard, insects created from modeling clay, snakes constructed out of balloons and papier-mache and a purple flamingo.

Later the students wrote short essays about crash-landing on a desert planet surrounded by the sights and sounds of their "jungle."

Denali's reform is succeeding because parents, teachers, school staff and students consider themselves members of the "Denali family," all respon-

sible for the school's success, Hagstrom said.

"This is allowing change to be occurring from the inside out," he said. "I've been irritated for years because someone from Washington or Juneau or the school district tells you what you have to do. This project encompasses a lot of local initiative in terms of folks doing the kinds of things they identify as important. That's when people get excited."

The school's scores on last spring's Iowa Tests of Basic Skills bear testimony to the school's results.

Usually, Denali started below the rest of the district, but last year it gained substantially more than the rest of the district," said Nick Stayrook, director of program planning and evaluation for the Fairbanks North Star Borough School District.

Gains were posted in each grade level in math and science. The biggest gain came in the fourth grade science scores, which jumped from the 60th to the 71st percentile.

"When you have a standardized test like the Iowa Basic to change five to 10 points, something significant is happening," Stayrook said.

The project has reaped other bonuses, said Tillitt, the school's curriculum specialist.

"One, there's a lot more parent involvement and input," he said. "Two, it's helped the faculty to pull together and focus our energies for the good of the kids. And three, it's had a positive impact on the

students, not only in science and math but on school in general. They can see the connections between what we do in school and life outside school."

ANCHORAGE'S MOUNTAIN VIEW Elementary School, a 25-year-old school on the southern boundary of Elmendorf Air Force Base, and downtown Denali Elementary School, the city's oldest school, see transient students come and go on a too-regular basis.

Both schools faced an explosion in their student population this year, with 630 students at Mountain View and 470 at Denali.

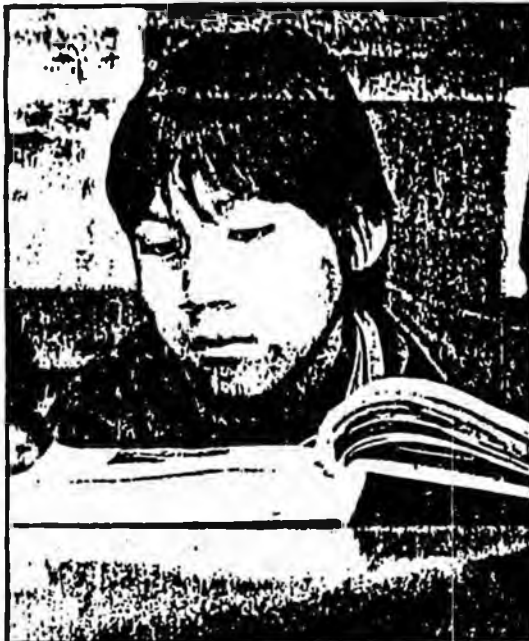
"Some schools change year to year," said Denali's principal, Susan Moore. "In this school, it changes week to week."

"There's no continuity in education," said Marsha Van Abel, a language arts specialist at Mountain View. "They're (students) not at risk because they cannot do the work. But when they're here three months and there three months, there are gaps in their education."

Transiency puts students such as Mountain View's Robert Felthouser and Rose Watson at risk of failure. Both are students in Roger McCummon's sixth grade class, a mix of special education and gifted students. Felthouser, 13, said he has attended eight different elementary schools, while Watson, 11, has lost track of how many schools she

Continued on page A8

Photos by Rob Layman Story by Nancy Price



Sixth-grade student Jason Tjepelman at Tikigaq Elementary School, left, studies hard during a history lesson. Tjepelman, like most Tikigaq students, is learning Inupiat in the new bilingual program in this small Point Hope school. Above, Roger McCommon, a sixth-grade teacher at Mountain View Elementary School in Anchorage, helps student Monica House with a graph during a science lesson.

Continued from page 10

has attended but knows she has attended "more than Robert."

They have benefited this year from the arrival of University of Alaska Anchorage and Alaska Pacific University students, all education majors, who in turn are benefiting from the opportunity to work with at-risk kids.

The presence of university students helps decrease Mountain View's and Denali's class sizes, a district-wide problem for the Anchorage School Board.

Having more teachers in the classroom "helps us keep in line," said Nick Klau, 12, one of McCommon's sixth graders. "When we're doing something, there's more to watch over us."

"Sometimes one teacher can't go all the way around the room," added his classmate, 11-year-old Aminah Abdul-Jillil.

Multiple teachers can be confusing occasionally, Watson reports, "when one teacher is talking and another starts to talk."

But students adapt pretty quickly, Felthouser said: "It's just another person in to start the work."

View's federal Chapter 1 math and home-based computer instructor, who works with disadvantaged students. "They know if they can ask questions in private, they're more apt to raise their hands."

"Some researchers say class size doesn't make much of a difference, but at work time, that's when it makes a difference," Van Abel said. "For a lot of children, it's important for them to know that someone really cares about me, to get one-on-one time, which they may not get during the rest of the day."

Because they are getting more attention, students are less apt to act up in class and more apt to learn, Williams said.

But for the university students, more teachers may not necessarily be better, said Kathy Smith, who is earning her teacher's certificate at UAA.

"I was the first, and as we get more and more practicum students it falls apart. You're just one of them," she said. "The rapport seems to diminish."

However, Smith added, she has observed her fellow students, each of whom uses a different style and methods to connect with the students, and "so maybe it's better to have more."

Kids at Mountain View face a tough existence. Murders, rape and shootings are common occurrences in the community, and kids bring the

trauma of their lives into the classroom. McCommon's

But students' self-esteem and academic performance have been improving gradually, school officials say. Scores from this fall's Iowa Tests of Basic Skills were available only for the schools' fourth and sixth grades. A comparison with last year's scores indicates a drop in reading and math scores at both schools.

But Moore and Mountain View's principal, Linda Black, said comparisons are meaningless because of the schools' high rate of student transiency.

"Matching them from last fall to this fall has not happened yet," Black said. "We expect to have that information by January."

Student academic improvement is showing in other areas. For example, Mountain View won the math derby the last two years in a row, whereas the school used to come in last, McCommon said.

Students are benefiting as well from a slowdown in teacher transfers, which used to occur too regularly at Mountain View.

"At-risk youth are typically from homes where there's a high turnover of parents," said Cable Starlings, an assistant professor of education at UAA. "Schools used to be a safe place. But teachers were turning over as fast as parental figures."

Turnover slows when teachers are properly prepared for teaching at-risk children, and so university students and first-year teachers are getting

the village elders who came to Tikigaq to unload barrels of the Inupiat culture so students "could learn how the old days are," elder Irene Gallahorn said.

Money from the federal grant is used to pay the elders for each 90-minute visit.

An elder's arrival in a classroom brings a dramatic transformation among otherwise rambunctious students.

When the 63-year-old Gallahorn entered the fourth grade classroom recently, the students became quiet and quickly pulled their chairs in a half-circle around her.

"What you guys want to hear about stories, what kind of stories?" she said.

"Old-time stories," came the response. So Gallahorn told them about her life in a reindeer herding family, showing them a photograph of her father standing next to a reindeer.

"Every winter we have to move to our camp," she said. "We had mukluks — no boots, no tennis shoes — caribou skins, pants, parkys and mittens. We had a wood stove and made the fire — no electric. We were busy every day. We chopped wood and went hunting for rabbits and ptarmigan."

Because there were no gas lamps, "we would take caribou fat," Gallahorn said. "You have to chew it and put it in a cloth and light it. It was bright."

Credit for creating the elder visit program goes in part to Steve Grubis, who was Tikigaq's principal last year but subsequently returned to UAF's Rural College, where he is an associate professor of cross-cultural education.

But credit also goes to Connie Oomittuk, an Ohloan who met Point Hope Native Steve Oomittuk when both worked in Barrow. After they married, the Oomittuks returned to Point Hope to raise their family.

Connie Oomittuk, who is working toward her master's degree in curriculum development through UAF while serving as the elder visit coordinator at Tikigaq, taught at the school last year and was instrumental in developing projects that drew elders to school.

Under the elders' guidance, students worked on a variety of projects, including building an umiak — a bearded seal skin whaling boat — learning about butchering seals and making mahuq, or seal skin that is bleached white.

Students say they like learning about their traditions from the elders.

"Some of the elders teach us about our lands, they tell us where to go and stuff, like the Kukpuk River," said Calvin Oitollik, 15, a ninth grader.

Interest among students in school is heightened, and that may be leading to higher standardized test scores.

The sixth and seventh grade classes, that had the most involvement with elders last year, had the biggest gains on last spring's Iowa Tests of Basic Skills.

The sixth-graders' average vocabulary scores climbed by almost 20 points over a year, from the 33rd to the 52nd percentile, while math computation scores climbed from the 30th to the 61st percentile.

Likewise, the seventh-graders' average scores skyrocketed, with scores in three categories at or near the 75th percentile. Vocabulary increased from the 48th to the 57th percentile, while math computations rose from the 37th to the 64th percentile.

However, principal Terry Fenne urges caution in interpreting the test score increases.

...with the term "Teachers and Leaders," the
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...report, he said. "I've, it's helped the faculty to put
...kids. And three, it's had a positive impact on the
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'We said, yeah, we ought to do more exploring inside of school. Instead of being wedded to some boring science textbook, we should let them discover things for themselves.'

— Sandy Lanning, teacher



Lucas Vuelker, 8, a third-grader at Denali Elementary School in Fairbanks, uses a magnifying glass to count the rings on a charred piece of wood from the Pedro Dome fire. Counting the rings helps determine the age of the wood.

as mentors at Mountain View and Denali.

The schools are using some of the grant to hire substitutes who fill in for mentor teachers, allowing them to observe other teachers in action and engage in team teaching.

"It has changed my attitude toward teaching," said Katherine O'Mara, a kindergarten teacher at Denali. "There's no hierarchy but a group approach, how we can group ourselves and improve our skills."

"I find myself more prepared for everything that comes up because of the support around me. That's a benefit to the students."

Mentoring can encourage new teachers, who might otherwise become discouraged, to remain in the teaching profession, Toussaint said.

"Nationally, half leave in the first four to five years because their experience is so rocky," he said. "We're trying to set up a system to encourage them to be successful."

Veteran teachers like Denali's Mary Doppelfeld and Paula Hite get a professional boost knowing their experience is valued by younger teachers and university faculty.

"It's the first time we've been consultants," said Doppelfeld, a 25-year veteran who teaches second grade. "It's a new concept for us. We like to feel, when we've been in teaching as long as we have, that we can make a difference."

"It's become a two-way exchange of information," said Paula Hite, who teaches first-graders. "At least they're listening when we say there's a need for this kind of training."

And university education officials are definitely paying attention, Starlings said.

"We in higher education haven't given them the opportunity to be leaders in their field," he said. "It's almost as if you have to go off and get a doctorate. But you don't."

"There's no professional development ladder for classroom teachers. Most don't want to be administrators — they want to work with kids. This is a way for them to feel like experts in their field. To me, they are adjunct faculty members."

TEACHER TRANSIENCY IS a problem as well at Tikigag School in Point Hope, an Eskimo village on the edge of the Chukchi Sea nearly 500 miles northwest of Anchorage.

Tikigag, a sprawling kindergarten to 12th grade school which dominates the village's center, is plagued with a high annual turnover. This fall about three-fourths of the school's 21 teachers were newcomers, mostly experienced teachers hired from outside.

The barren Arctic environment and Point Hope's remote location can be overwhelming for the teachers, but their continual arrival and departure is disruptive to students.

Continuity for students, however, is provided by the village elders who come to Tikigag to unfold

Learning

Continued from page A9

"It's a little dangerous to compare groups of kids," he said. "It's too small a sampling, and too many other factors can affect it."

But Tikigaa's scores ran contrary to those of other North Slope Borough School District schools, which declined over the past four years, Fenne said.

"To say the elders were responsible for this, no," he said. "But to believe it didn't work, no. It gave them more peace, more concrete experiences. So when it came to more theoretical learning, they were more prepared."

Studies have shown that schools achieve the most gains in literacy where students are exposed to oral stories and open-ended discussions, because "you need a good oral background before you can understand the written word," Oomittuk said.

However, the program could be more effective if teachers could better integrate the elders' lessons into the curriculum, she said.

"The thrust of this is to let teachers know they have something else to offer, not just Western education," she said. "The ideal would be to have teachers incorporate it with the curriculum. But it takes a lot of planning and time teachers don't have."

In Greg Kingsley's fourth grade class, for example, students drew pictures of a traditional story told recently by elder Kirk Oviok Sr. about how a hunter loses his arrows on the ice, and when confronted by a polar bear, grows a set of tusks and scares the bear away.

In Dana Bartman's sixth grade class, two timelines were taped to the blackboard so students could compare Chinese and Point Hope civilizations side by side.

Although the elder visits have the enthusiastic support of the community, a snag has developed. Because the elders have waited nearly two months for their pay, some are reluctant to return to Tikigaa.

"Steve Grubbs made such a big deal last year, saying 'We value what you have to teach. We'll pay you. It's as important as Western education,'" Oomittuk said. "Now they're not paying them. They feel like they're being taken advantage of again."

But the pay mafu should be cleared up in a week or two, Grubbs said last week.

"We've had a real hassle with that," he said. "One of the problems with federal money is it has to go to Juneau first, and then to the university, so you're dealing with two large bureaucracies. Last year I was on-site and able to borrow funds until the federal funds were available."

Suspicion of educators remains for many in the North Slope village of 600. And with good reason.

In the past the school was run by outsiders who tried to stamp out all signs of Inupiat culture. Ella Kowunna, who at 17 years has the longest tenure among Tikigaa's teachers, recalls that when she was a youngster growing up in Point Hope, teachers would tape students' mouths shut for speaking their Native language.

Teacher Darcus Rock remembers a time when she was in the seventh grade and gave an oral report on her summer vacation.

"The class was real quiet, and afterward the teacher, he gave me an F," she said. "I went home and wouldn't come out of the bathroom, so my uncle got mad and went to school and found out I did it all in Eskimo. I was bilingual and didn't know it — I didn't know if I was speaking in English or Eskimo."

Ironically, Rock is now the school's bilingual teacher, instructing students in Inupiaq, the same language their parents and grandparents were punished for speaking.

Overcoming the villagers' suspicion of school is difficult, but the elders' visits appear to be making a difference, Oomittuk said.

"I see this program, the whole goal, of turning the school back over to the community," she said. "For 100 years, the school was separate, a domineering force, and a lot of parents and grandparents in school had negative experiences. I'm almost hesitant to say this, but I think they're taking it out on the school now, for what the BIA (Bureau

of Indian Affairs) did before.

"I wish they could forget the past, but it's a heavy thing to do to kids."

The students are learning from elders outside the classroom as well, Oomittuk said.

"Last year we had a three-week unit on seals, and we were preparing sealskin in the classroom. The smell of rotting sealskin in your classroom is a heavy thing to do, and we started to take on the smell."

"The girls in class cried — 'How could you do this to us?' — but when they went home on the bus one of the elders noticed the

smell and just praised them, saying, 'You smell like a real Eskimo. You're going to be the ones who know how to do it. Never complain about the smell of animals, it insults the animals.'

"The next day at lunch, some students started giving them a hard time, and they turned and said, 'Don't you ever complain about the smell of an animal!'"

KEEPING STUDENTS in school and encouraging Native students to consider a teaching career are among the goals of Mt. Edgecumbe High School, the state's boarding high school in

Sitka, 450 miles southeast of Anchorage.

The federal grant is helping school officials achieve those goals, said Larrae Rocheleau, the school's superintendent.

Two Mt. Edgecumbe graduates have been hired as resident assistants "primarily as a counseling tool, but in minority settings," Rocheleau said. "They're excellent role models. And they've helped us with some substance abuse things. It seems we're on top of things quicker."

In exchange for serving as resident assistants, the graduates get free room and board and

free tuition at the University of Alaska Southeast's Sitka campus.

The number of homesick students who decide to leave Mt. Edgecumbe has been cut from 15 to 5 this year, he said. "We think it's a direct result of that program."

In addition, Mt. Edgecumbe is preparing to start a future teacher program to encourage its Native students to become teachers, "especially secondary teachers," Rocheleau said.

"Alaska has a gap of secondary teachers, especially Natives."

Currently 15 of Mt. Edge-

cumbe's 213 students are in the program.

The future teachers will be traveling to colleges and to observe teacher training programs in and out of Alaska, Rocheleau said.

The school also used part of its grant money last year to do its first survey of recent graduates, resulting in some interesting findings, he said.

"We found that 47 percent of the graduates were still enrolled in a post-secondary institution, of which 80 percent were Natives," Rocheleau said. "That's a pretty impressive statistic."

Senate Bill No. 79

The **critical** aspect of this bill lies in Article 4A which **encourages** local school boards to **infuse** environmental education into their **existing** general curriculum.

Environmental education is an **interdisciplinary** program, focused on the **environment**, which brings students on a learning path from **awareness to action**. Part of the **effectiveness** of environmental education comes from the fact that it is **not** a **separate** discipline from already **existing** disciplines. **Instead**, it **infuses** the study of the environment into **all** areas of curricula. Environmental education is used to **enhance** current disciplines by introducing within these disciplines, a study of the environment that acts as a **vehicle** for **increased** environmental **awareness, knowledge and responsibility**.

Let's take an example of a fifth grade student who is **progressively** studying a stream environment through **four** different subject areas. **First**, within the discipline of **language arts**, a student can develop a keen **awareness** of what the components of the ecosystem are by simply looking closely and expressing their initial findings in an exploratory walk. **Second**, within the discipline of **math** the student can calculate volume and velocity of the stream by conducting simple experiments that measure depth, width and speed of the water. **Third**, within the discipline of **science**, the student builds on the previous studies and, through active inquiry, gains important **knowledge**, about the plants and animals contained within the stream. At this point they can begin to ask and answer questions such as: Why do the salmon spawn up this stream? Why do they lay their eggs in this type of stream bottom? What do they eat while in the stream? What do they breath and where does it come from? **Fourth**, within the discipline of **social studies**, a student takes the **awareness and knowledge** they have gained through these studies and practices **valuable problem solving skills**, and develops **civic and social responsibility** by being posed with imaginary or actual environmental concerns **where**, if they were involved in the situation, and given what they have learned about the stream environment, they would need to **weigh alternatives**, **consider implications** of each alternative, and **make decisions** on



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January 30, 1991

To: Senator Sturgulewski, Chair
Members, Senate HESS Committee

Re: SB 79: "An Act relating to a curriculum for
environmental education."

NEA-Alaska supports the basic concepts in SB 79.

Relative to sub-section 7 on page 2, line 5, it may be appropriate to provide that all curricular areas in a school district be germane to the annual "District Report Card To The Public" assessment.

We commend the sponsor and strongly encourage Committee support for Section 2 of this legislation. Heightened awareness and emphasis on environmental education is critically important to all of us.

Thank you for your consideration of our position.

Respectfully submitted,

Bob Manners
Executive Director

Don Oberg
President

cc: Senator Adams



Alaska Environmental Lobby, Inc.

P.O. Box 22151 Juneau, Alaska 99802

907-463-3366

SB 79: Environmental Education Curriculum

Testimony by Linda Franklin, Volunteer for the Alaska Environmental Lobby
February 1, 1991
Senate Health, Education and Social Services Committee

It is important to broaden the public's awareness of environmental issues, and taking a leadership role in promoting environmentally oriented education is fundamental to this process.

As students become aware of environmental issues, education can enhance their understanding of our relationship to the environment.

The future health of the environment is in the hands of today's children, and this type of interdisciplinary education is the kind that lasts a lifetime.

Once again, the Alaska Environmental Lobby strongly supports this bill, and we urge you to pass it out of committee.

CLEAN AIR COALITION • PRINCE WILLIAM SOUND CONSERVATION ALLIANCE • ALASKA CENTER FOR THE ENVIRONMENT
ALASKA CHAPTER SIERRA CLUB • JUNEAU GROUP SIERRA CLUB • KNIK GROUP SIERRA CLUB • DENALI GROUP SIERRA CLUB
ANCHORAGE AUDUBON SOCIETY • ARCTIC AUDUBON SOCIETY • DENALI CITIZENS COUNCIL • ALASKA FRIENDS OF THE EARTH
JUNEAU AUDUBON SOCIETY • KACHEMAK BAY CONSERVATION SOCIETY • KENAI PENINSULA AUDUBON SOCIETY • KODIAK AUDUBON SOCIETY
LYNN CANAL CONSERVATION • SITKA CONSERVATION SOCIETY • NORTHERN ALASKA ENVIRONMENTAL CENTER
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