



LAWS OF ALASKA

1985

Source

CSHB 185 (Loans)

Chapter No.

34

AN ACT

Relating to the maximum loan amounts, eligibility requirements, and conditions of scholarship loans; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 10

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: May 23, 1985
Actual Effective Date: May 24, 1985

AN ACT

Relating to the maximum loan amounts, eligibility requirements, and conditions of scholarship loans; and providing for an effective date.

* Section 1. AS 14.43.110 is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

17 (1) is

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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