

20 AAC 15.700(a) is amended to read:

(a) The Alaska supplemental education loan program (ASELP) provides low-cost education loans to residents of this state attending eligible institutions, and to students attending eligible institutions in this state. This loan is available to an otherwise eligible borrower to pay allowable costs of attendance that

(1) exceed the costs allowed under a **federal Direct subsidized or unsubsidized** [STAFFORD] loan; [OR]

(2) cannot be met through the **federal Direct subsidized or unsubsidized** [STAFFORD] loan program; **or**

**(3) can be met with lower cost through use of the supplemental loan.** (Eff. 7/1/2002, Register 162; am 11/16/2012, Register 204; am \_\_\_/\_\_\_/\_\_\_, Register \_\_\_)

**Authority:** AS 14.42.030 AS 14.43.170 AS 14.43.172

20 AAC 15.705(c) is amended to read:

(c) To be considered eligible for the loan the applicant, or endorser if required under AS 14.43.172, must have a credit history that demonstrates good credit. For purposes of this paragraph, an applicant will be considered to have good credit if the applicant has a

**FICO score that is equal to or higher than the FICO score set by the corporation or meets other criteria set by the corporation** [FICO CREDIT REPORT SCORE OF 680 OR HIGHER], and an endorser will be considered to have a good credit if the endorser has a **FICO score that is equal to or higher than the FICO score set by the corporation or meets other criteria set by the corporation.** [FICO CREDIT REPORT

SCORE OF 680 OR HIGHER AND CURRENT INCOME]. (Eff. 7/1/2002, Register 162; am 12/31/2005, Register 176; am 9/23/2006, Register 179; am 5/7/2009, Register 190; am 2/22/2015, Register 213; am \_\_\_/\_\_\_/\_\_\_, Register \_\_\_)

**Authority:** AS 14.42.030 AS 14.43.172

20 AAC 15.715 is amended to read:

(a) A student requesting an ASEL must complete and submit the **FAFSA** [FREE APPLICATION FOR FEDERAL STUDENT AID (FAFSA)] to the United States Department of Education in the manner set out in the FAFSA, if the student's institution of attendance requires the FAFSA.

20 AAC 15.785 is amended to read:

**20 AAC 15.785. Default rate reduction requirements for institutions [OTHER THAN FFELP ELIGIBLE SCHOOLS].** (a) Except for **an institution that is authorized to participate in federal student aid programs under 20 U.S.C. 1070-1099d (Title IV of the Higher Education Act of 1965)** [A FFELP ELIGIBLE SCHOOL], an institution with a default rate calculated under 20 AAC 15.925 in excess of 20 percent shall develop and submit a default reduction plan acceptable to the commission within 45 days after the date of the default rate determination. (Eff. 7/1/2002, Register 162; am \_\_\_/\_\_\_/\_\_\_, Register \_\_\_)

**Authority:** AS 14.42.030 AS 14.43.171

20 AAC 15.910(a)(2) is amended to read:

(a)(2) [ALASKADVANTAGE] consolidation loan program under AS 14.43.122;

20 AAC 15.910(2) is amended to read:

**(b)** [(2)] Repealed 3/1/2002.

20 AAC 15.910(e) is amended to read:

(e) Unless otherwise stated, the provisions of 20 AAC 15.915 apply to the **Alaska** [ALASKADVANTAGE] Education Grant Program under AS 14.43.400 – 14.43.420. (Eff. 6/23/95, Register 134; am 12/4/96, Register 140; am 3/15/98, Register 145; am 3/1/2002, Register 161; am 1/30/2003, Register 165; am 3/19/2003, Register 166; am 12/28/2008, Register 188; am 12/29/2010, Register 196; am 12/26/2014, Register 212; am 2/22/2015, Register 213; am \_\_\_/\_\_\_/\_\_\_, Register \_\_\_)

<b>Authority:</b>	AS 14.42.030	AS 14.43.320	AS 14.43.710
	AS 14.43.105	AS 14.43.405	AS 14.43.740
	AS 14.43.122	AS 14.43.510	AS 14.44.035
	AS 14.43.170	AS 14.43.630	

20 AAC 15.922(e) is amended to read:

(e) **Prior to each loan disbursement** [EACH TERM], an institution shall **verify the eligibility** [CERTIFY ENROLLMENT] for each student who is currently enrolled [AND HAS PREVIOUSLY RECEIVED A LOAN DISBURSEMENT UNDER AS 14.43.]

20 AAC 15.922(k) is amended to read:

(k) Institutions participating in electronic funds transfer (EFT) programs must enter into an electronic funds transfer agreement with the commission, including mandatory participation in **a method of electronic funds transfer approved by the Commission** [ASLNET OR ELM]. (Eff. 12/4/96, Register 140; am 3/22/97, Register 141; am 3/23/98, Register 146; am 4/20/2000, Register 154; am 3/1/2002, Register 161; am 1/30/2003, Register 165; am \_\_\_/\_\_\_/\_\_\_, Register \_\_\_)

<b>Authority:</b>	AS 14.42.030	AS 14.43.160	AS 14.43.730
	AS 14.43.105	AS 14.43.320	AS 14.43.740
	AS 14.43.120	AS 14.43.630	AS 14.48.050

20 AAC 15.940(j) is amended to read:

(j) For purposes of AS 14.43.125(d), a cosigner is presumed to demonstrate an ability or willingness to pay an extension of credit or loans as it becomes due if, at the time of the application for a loan, the cosigner has a **FICO score that is equal to or higher than the FICO score set by the corporation or meets other criteria set by the corporation** [FICO CREDIT REPORT SCORE OF 680 OR MORE].

<b>Authority:</b>	AS 14.42.030	AS 14.43.120	AS 14.43.630
	AS 14.42.200	AS 14.43.125	AS 14.43.640
	AS 14.42.210	AS 14.43.300	AS 14.43.740
	AS 14.42.215	AS 14.43.320	AS 14.44.035
	AS 14.43.105		

20 AAC 15.950(a) is amended to read:

(a) A loan will be disbursed in **at least two** [PROPORTIONATE] installments based upon the terms, quarters, or semesters used by the institution of attendance. A loan for attendance at an institution that does not operate on a term, quarter, or semester system will be disbursed in two [EQUAL] installments. The first disbursement will be made at the beginning of the program and the second will be made at the halfway point, based on the dates of attendance for which the loan is made. **Disbursements will be made in equal amounts unless an eligible postsecondary institution designates alternate amounts, the total of which does not exceed the total certified loan amount.**

(Eff. 3/22/97, Register 141; am 4/20/2000, Register 154; am 4/27/2001, Register 158; am /\_\_\_/\_\_\_, Register \_\_\_)

**Authority:** AS 14.43.105 AS 14.43.320 AS 14.43.730  
AS 14.43.120 AS 14.43.630 AS 14.43.740  
AS 14.43.300 AS 14.43.640

20 AAC 15.965(e) is repealed and readopted to read:

20 AAC 15.965. Deferment of payments. (a) In order to obtain a deferment of payments under AS 14.43.120(k), a borrower must complete a form provided by the commission, showing the borrower's eligibility for the requested deferment and acceptance of the term of the deferment agreement. Until the request for deferment is approved by commission staff, the borrower's original repayment schedule continues in effect. If the borrower meets the requirements of AS 14.43.120(k), commission staff

shall approve the deferment. If the deferment is approved, commission staff shall send the borrower the deferment agreement.

(b) A borrower who has received a deferment shall immediately notify the commission if the conditions under which the deferment was granted no longer exist.

(c) A borrower who has defaulted on a loan is not eligible for a deferment of that loan under AS 14.43.120(k).

(d) For purposes of AS 14.43.120(k), a student who is in an internship or residency that is required as part of the program of study, and that does not exceed 48 months, is a full-time student.

(e) For purposes of AS 14.43.120(k)(8), a deferment may not be granted

(1) for a condition that existed at the time the loan was disbursed unless the condition has substantially deteriorated since the time of the disbursement, or

(2) subsequent to denial of a request for medical cancellation under 20 AAC 15.920, unless the condition for which the deferment is being requested did not exist at the time of the request for medical cancellation.

(f) For purposes of AS 14.43.120(k)(8), deferment requests in excess of five years for the same condition must include documentation sufficient for the executive director to determine that the borrower is unable to repay the loan without undue financial hardship.

(g) This section does not apply to the family education loan program under AS 14.43.710 – 14.43.750.

(Eff. 3/22/97, Register 141; am 3/15/98, Register 145; am \_\_\_/\_\_\_/\_\_\_, Register\_\_\_\_\_)

20 AAC 15.990(14) is repealed:

(14) Repealed \_\_\_/\_\_\_/\_\_\_.

20 AAC 16.015(1) is amended to read:

(1) lowest expected family contribution as reported on the Free Application for **Federal** Student Aid (FAFSA); (Eff 2/22/2015, Register 213; am \_\_\_/\_\_\_/\_\_\_, Register \_\_\_)

**Authority:** AS 14.42.030 AS 14.43.406 AS 14.43.415  
AS 14.43.405

20 AAC 16.030(a) is amended to read:

(a) A student requesting an Alaska education grant must submit a completed Free Application for Federal Student Aid (**FAFSA**) to the United States Department of Education that results in a valid **Institutional Student Information Record (ISIR)** [ISIR].

(Eff. 6/13/80, Register 74; am 11/27/86, Register 100; am 5/8/88, Register 106; am 2/20/2005, Register 173; am 12/28/2008, Register 188; am 10/3/2011, Register 200; am 4/4/2013, Register 206; am 2/22/2015, Register 213; am \_\_\_/\_\_\_/\_\_\_, Register \_\_\_)

**Authority:** AS 14.42.030 AS 14.43.406 AS 14.43.415  
AS 14.43.405

20 AAC 16.040 is amended by adding a new subsection to read:

(h) an eligible institution is responsible for maintaining documentation that the school verified the identity of the student before disbursing any grant money to the student. (Eff. 6/13/80, Register 74; am 12/13/84, Register 92; am 2/20/2005, Register 173; am 12/28/2008, Register 188; am 10/3/2011, Register 200; am 4/4/2013, Register 206; am 2/22/2015, Register 213; am \_\_\_/\_\_\_/\_\_\_, Register \_\_\_)

**Authority:** AS 14.42.030 AS 14.43.406 AS 14.43.415  
AS 14.43.405

20 AAC 16.215(d) is amended to read:

(d) [(f)] Notwithstanding any other provision in this section, and subject to the availability of appropriations, the executive director may consider applications from students submitting a completed FAFSA **or completed alternate application provided by the commission** after June 30 but before **the end of the school year** [DECEMBER 16 OF A YEAR]. (Eff. 1/1/2011, Register 196; am 4/4/2013, Register 206; am \_\_\_/\_\_\_/\_\_\_, Register \_\_\_)

**Authority:** AS 14.42.030 AS 14.43.820 AS 14.43.825  
AS 14.43.810

20 AAC 16.220(c) is amended to read:

(c) A **half-time** [PART-TIME] student is eligible for 50 percent of the annual scholarship award amount. Notwithstanding the minimum annual credit requirements of 20 AAC 16.210(a)(2), to be considered a **half-time** [PART-TIME] student for purposes of calculating that amount, an otherwise eligible student, if



(1) an undergraduate, student must be enrolled each term in at least six but not more than 11 semester credit hours, or the equivalent;

(2) a graduate student, must be enrolled each term in at least five but not more than eight semester credit hours, or the equivalent, applicable to the student's graduate degree or certificate program; or

(3) a career and technical school program student, must be enrolled in a program requiring attendance of at least 15 clock hours per week for not less than six weeks. (Eff. 1/1/2011, Register 196; am \_\_\_/\_\_\_/\_\_\_, Register \_\_\_)

**Authority:** AS 14.42.030 AS 14.43.810 AS 14.43.825

20 AAC 16.250 is amended to read:

**(a)** For purposes of AS 14.43.825(e) and 20 AAC 16.205 – 20 AAC 16.250, costs of attendance **for a full-time or on-time student** include

- (1) tuition and required fees;
- (2) required books, supplies, and equipment;
- (3) transportation;
- (4) room and board; and
- (5) an allowance for personal expenses, as approved by the executive director.

20 AAC 16.250 is amended by adding a new subsection to read:

- (b) for students enrolled less than full-time, allowable costs of attendance are
- (1) tuition and required fees; and

(2) required books, supplies and equipment. (Eff. 1/1/2011, Register 196;  
am \_\_\_/\_\_\_/\_\_\_\_, Register \_\_\_)

**Authority:** AS 14.42.030 AS 14.43.810

20 AAC 15.990 is amended by adding a new subsection to read:

(27) “vocational program” or “vocational certificate program,” means a career and technical course of study in a recognized occupation leading to a terminal diploma, credential, or comparable certificate of completion, designed to lead to employment or occupational competencies. (Eff. 6/13/80, Register 74; am 11/27/86, Register 100; am 2/20/2005, Register 173; am 12/28/2008, Register 188; am 1/1/2011, Register 196; am 11/16/2012, Register 204; am 4/4/2013, Register 206; am 2/22/215, Register 213 am \_\_\_/\_\_\_, Register \_\_\_)

**Authority:** AS 14.42.030 AS 14.43.405 AS 14.43.810

20 AAC 18.025(c) is repealed:

(c) Repealed \_\_\_/\_\_\_/\_\_\_\_. (Eff. 11/8/2000, Register 156; am 1/30/2003, Register 165; am 12/28/2008, Register 188; am \_\_\_/\_\_\_/\_\_\_\_, Register \_\_\_)