



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Alaska Commission on
Postsecondary Education**

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The Honorable Mike Dunleavy, Chair
Senate Education
State Capitol Room 11
Juneau, Alaska 99801

Dear Senator Dunleavy,

I am writing in follow up to a question posed at the February 24th committee hearing on Senate Joint Resolution 2, the constitutional amendment relating to contracting state debt for postsecondary student loans. You asked, in the event the Alaska Student Loan Corporation has issued General Obligation backed bonds and is later unable to make debt service payments when due, how would state payments on that debt occur and whether such payments would be made through the standard appropriation process. I directed that inquiry to staff at the Department of Revenue who have advised that current statutes give the Department of Revenue standing authority to make debt service payments without an additional appropriation through the annual budget approval process. That authority is provided in AS 37.15.012. Continuing debt service appropriation.

I hope this information is helpful. Please feel free to contact me if you have any additional questions or concerns.

Sincerely,

A handwritten signature in cursive script, appearing to read "Diane Barrans".

Diane Barrans
Executive Director