



Representative Andi Story

Alaska State Legislature

Sectional Analysis
House Bill 28
Version 34-LS0303\N.A
March 25, 2026

*“An Act establishing a student loan repayment pilot program;
and providing for an effective date.”*

Section 1: Adds a new section to the uncodified law creating a student loan repayment pilot program:

- a) The program will be developed and administered by the Alaska Commission on Postsecondary Education. Subject to appropriation, the commission may award a grant to a person who:
 - 1) applies by a deadline established by the commission;
 - 2) is a full-time state employee or public school teacher;
 - 3) has a degree or certificate from a higher education institution;
 - 4) owes payment on a student loan taken to obtain their degree or certificate.
- b) The commission will establish an application process, along with policies to determine the efficiency and success of the program in recruiting and retaining grant recipient employees with the state and school districts. The commission will report to the legislature yearly.
- c) To participate, applicants may be required to refinance their existing student loans through the commission.
- d) Grants awarded are only for full-time teachers or state employees, and payable only at the completion of a year of work.
- e) Participants may receive a grant each year for a maximum of three years in an amount not to exceed \$4,000 the first year, \$8,000 the second year, and \$12,000 the third year. If the balance of the participant’s outstanding loan is less than \$24,000, the grant will be equal to one-third of the balance in each year of participation in the program.
- f) Up to 125 grants will be awarded each fiscal year. The total dollar amount awarded may not exceed \$1,000,000 in a fiscal year. If the amount appropriated in a fiscal year is insufficient to meet the amounts awarded, the commission will reduce the amounts awarded.

Section 2: Adds a new section to the uncodified law requiring the commission to submit a report on December 31 of 2026, 2027, and 2028 that describes the effects of the pilot program on recruitment and retention of teachers and state employees. The report to be submitted by December 31, 2028, will include an analysis of the overall success rate and effectiveness of the program.

Section 3: This bill sunsets on January 1, 2029.

Section 4: This Act takes effect immediately.

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