



House Bill 28 – Teacher/State Employee Student Loan Program

Explanation of Changes – *Version N.A to Version H*

Section 1 – Reinstates AS 14.03.120 by adding a new subsection requiring each school district to annually file a report with the Alaska Department of Education and Early Development detailing its correspondence study programs.

Section 2 – Inserts a new subsection under AS 14.03.300 that permits a student who ceases to be enrolled in a correspondence study program to retain textbooks, equipment, or other curriculum materials provided to the student through the program, including materials purchased through an annual student allotment. Students may retain materials only if they are of the type a student may retain when the student ceases to be enrolled in a physical school in the district.

Section 3 – Amends AS 14.07.168 to stipulate that information on school district correspondence study programs be included in the annual report to the legislature made by the Alaska Department of Education and Early Development.

Section 4 – Amends AS 14.09.010(a) to increase per-student pupil transportation funding amounts for each school district by 10 percent.

Sections 5-10 – Amends AS 14.20.136 and AS 14.25.043 to allow a regional resource center to hire retired educators.

Section 11 – Repeals the conditional effect language linking enactment of a highly digitized business tax to funding for reading proficiency incentive grants and the increase in the secondary school vocational and technical instruction funding factor authorized through the passage of House Bill 57, which became law in 2025.

Section 12 – Directs the Legislative Budget and Audit Committee to procure a study, completed no later than January 1, 2027, evaluating current education funding provisions and recommending changes or alternative funding methods, in consultation with ISER at UAA.



ALASKA STATE LEGISLATURE

Senator Löki Gale Tobin
Education Committee Chair

EDUCATION
HEALTH & SOCIAL SERVICES
JUDICIARY
TRANSPORTATION

Section 13 – Adds a new section to the uncodified law creating a student loan repayment pilot program. Version H removes language allowing state employees to participate in the program.

Version H includes a new subsection 1 that limits participation to public school teachers who teach special education, English as a second language, science, technology, engineering, or mathematics.

Subsection 1 includes a new Subsection 4 that limits eligibility to teachers who have otherwise exhausted all other federal and state student loan repayment programs for which they are eligible.

Version H includes a new Subsection E that allows the Alaska Commission on Postsecondary Education to award a grant to a person each year in an amount equal to one-third of the outstanding student loan balance owed by the person. Grants may not exceed \$5,000 each year and may not be awarded for more than three years.

In subsection F, Version H removes the limitation of 125 grant recipients included in Version N.A.

Section 14 – Requires the Alaska Commission on Postsecondary Education to submit a report to the Alaska State Legislature before December 31, 2028, on the effects of the student loan repayment pilot program, including on teacher recruitment and retention.

Section 15 – Adds an uncodified provision to state law establishing a one-time energy cost relief payment to school districts of \$43.7 million, subject to appropriation. The one-time funding would be distributed proportionally based on each district's share of total statewide heating fuel and electricity expenditures for FY 2025 as reflected in DEED records.



ALASKA STATE LEGISLATURE

Senator Löki Gale Tobin
Education Committee Chair

EDUCATION
HEALTH & SOCIAL SERVICES
JUDICIARY
TRANSPORTATION

Section 16 – Adds applicability language providing that Sections 8–13 of this Act apply to contracts made on or after the effective date of this Act.

Section 17 – Repeals the student loan repayment pilot program on June 1, 2030.

Section 18 – Repeals the student loan repayment pilot program report to the Alaska State Legislature on January 1, 2029.

Section 19 – Sets a new effective date of July 1, 2026, for reading proficiency incentive grants and the increase in the secondary school vocational and technical instruction funding factor authorized through the passage of House Bill 57, which became law in 2025.

Section 20 – Establishes an immediate effective date for the bill.