

2018 SESSION OPERATING BUDGET STATUTORY CHANGE PROPOSAL

OFFERED IN: House Finance University Budget Subcommittee

TO: AS 14.43.510(a)

OFFERED BY: Representative LeDoux

RECOMMENDED STATUTE CHANGE:

AS 14.43.510(a) is amended to read:

(a) Except as provided under (b) and (c) of this section, as a condition of participating in a medical education program under AS 14.42.033, a program participant shall agree to either return to the state and actively engage in professional medical practice or repay financial support provided by the state on behalf of the program participant. The financial support to be repaid is equal to the full [50 percent of the] amount paid for each program participant by the state to the contracting postsecondary institution, plus interest. The rate of interest is equal to the 12th Federal Reserve District discount rate in effect on March 1 of the year in which the financial support is provided plus two percentage points. Interest imposed under this subsection begins to accrue when the person terminates studies under the medical education program. Accrued interest shall be added to the principal balance of the repayment obligation at the time the borrower is obligated to commence repayment and at the end of a deferment period.

EXPLANATION:

The purpose of the WWAMI program, as stated on the program website, is to “train physicians who will return to practice in Alaska.” The state should not pay for the educational costs of students who do not return to Alaska to practice medicine.