

STATE OF ALASKA

SARAH PALIN, GOVERNOR

ALASKA STUDENT LOAN CORPORATION

March 13, 2009

P.O. BOX 110505
JUNEAU, ALASKA 99811-0505
VOICE (800) 441-2962
in Juneau (907) 465-6740
TDD (907) 465-3143
FAX (907) 465-3293

The Honorable Bill Stoltze
House of Representatives
Co-Chair
Finance Committee
State Capitol, Room 515
Juneau, Alaska 99801

Re: HB172 State Investment in Education Loan Fund

Dear Representative Stoltze:

On behalf of the Alaska Student Loan Corporation (ASLC) I respectfully request a hearing in the House Finance Committee of legislation entitled "An Act relating to an investment in the education loan fund; relating to authority for the commissioner of revenue to enter into a bond purchase agreement and letter of credit with the Alaska Student Loan Corporation; and providing for an effective date."

The bill will authorize the Commissioner of Revenue to 1) provide a bridge loan to ASLC to finance its education loans when market conditions relating to tax-exempt bonds make them uneconomical; and, 2) create a credit enhancement facility to prevent a disruption of lending activities by ASLC during the current economic crisis that has limited its ability to successfully issue bonds and has caused the market-based financing of student loans to be uneconomical.

A copy of Governor Palin's transmittal letter and the associated fiscal note will be referred to the committee. Enclosed is a sponsor's statement, sectional analysis, background information, letters of support, and relevant news articles.

Your favorable consideration of this request will be appreciated.

Sincerely,



Diane Barrans
Executive Officer

DB/dv

Enclosures

cc: Gerald Gallagher, Legislative Director
Office of the Governor