



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

**Alaska Commission on  
Postsecondary Education**

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March 2, 2015

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 24<sup>th</sup> 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