



Alaska State Legislature

Representative Matt Claman

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To: Representative Sam Kito III, Chair
House Labor & Commerce Committee

From: Representative Matt Claman
HB 86 Prime Sponsor

Subject: Questions from March 22, 2017 House Labor & Commerce Committee

Date: March 20, 2017

Below please find answers, provided by Stephanie Butler, to questions asked by committee members at the March 22nd Labor & Commerce Committee hearing for HB 86:

- Rep. Birch: Do you have a sense of the magnitude of the debt and number of recipients who would be impacted by this bill?

There are currently about 17,400 borrowers represented in our state loan portfolio. This comprises about \$240 million in loans outstanding.

There are currently only 46 borrowers with outstanding occupational license holds. A review indicates that these defaulted borrowers are not employed in Alaska. In terms of liability from these defaulted borrowers, rather than putting new holds on occupational licenses when borrowers default, we find that we have more success in collecting by seeking wage garnishment if employed borrowers with sufficient incomes refuse to make payments. For these 46 borrowers, we will release the holds and proceed with wage garnishment if they become employed in Alaska in the future and do not resolve their defaults.