

HOUSE BILL NO. 310

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE BUNDE

Introduced: 1/14/02

Referred: House Special Committee on Education, Labor and Commerce

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to renewal of an occupational license after defaulting on a federal**
2 **student loan."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** AS 14.43.148(a) is amended to read:

5 (a) Notwithstanding any other provision of law, a licensing entity may not
6 renew a license issued to a borrower if the licensing entity has received notice from
7 the commission that the licensee is in default on a loan made by the commission **or is**
8 **in default on a federal student loan as determined under 20 U.S.C. 1070 - 1087vv**
9 **(Higher Education Act of 1965, P.L. 89-329, as amended)**. If the licensee has
10 appealed the determination of default status **on a loan made by the commission or a**
11 **federal student loan**, the commission shall notify the licensing entity and renewal
12 may not be denied under this section unless and until the appeal has been concluded
13 and the default status affirmed. Unless a temporary license is issued under (c) of this
14 section, the denial of renewal is effective at the beginning of that renewal period.

1 Denial of renewal of a license shall continue until the licensing entity receives notice
2 of a release from the commission. If a license is denied under this section, the
3 licensing entity shall refund the renewal fee less the temporary license fee, if any.

4 * **Sec. 2.** AS 14.43.148 is amended by adding a new subsection to read:

5 (i) The commission shall maintain a list of student loan recipients who are in
6 default under federal law as described under (a) of this section and provide notice to
7 the appropriate licensing entity as necessary to implement (a) of this section.