

HOUSE BILL NO. 54

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES DAVIES, Kerttula

Introduced: 1/10/01

Referred: House Special Committee of Education, Health, Education and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to reimbursement of student loans; and providing for an effective**
2 **date."**

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

4 *** Section 1.** AS 14.43 is amended by adding a new section to read:

5 **Sec. 14.43.142. Reimbursement of borrowers.** (a) If a borrower has
6 graduated from a career education program or received an undergraduate degree from
7 a college or university, is employed within the state, and has complied with
8 AS 14.43.120, a portion of the payments made by the borrower for a loan made under
9 AS 14.43.110 shall be reimbursed to the borrower by the state equal to the following
10 percentages of the total loan received plus interest, up to a total of 50 percent of the
11 total loan plus interest:

- 12 (1) one year employment, 10 percent;
13 (2) two years employment, an additional 10 percent;
14 (3) three years employment, an additional 10 percent;

1 (4) four years employment, an additional 10 percent;

2 (5) five years employment, an additional 10 percent.

3 (b) The loan amount reimbursed to the borrower may not exceed the loan
4 amount paid by the borrower to the state. Notwithstanding any other provision of law,
5 while a person's loan is being reimbursed by the state under (a) of this section, that
6 person may not receive forgiveness of a loan under any other provision of this chapter.

7 (c) Reimbursement under (a) of this section is subject to appropriation by the
8 legislature.

9 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
10 read:

11 **APPLICABILITY.** This Act applies to loans entered into on or after July 1, 2001, and
12 to a person's employment that occurs on or after July 1, 2001.

13 * **Sec. 3.** This Act takes effect July 1, 2001.