

**ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON EDUCATION**

January 17, 2001

9:05 a.m.

MEMBERS PRESENT

Representative Con Bunde, Chair
Representative Brian Porter
Representative Joe Green
Representative Peggy Wilson
Representative Gary Stevens
Representative Reggie Joule
Representative Gretchen Guess

MEMBERS ABSENT

All members present

OTHER LEGISLATORS PRESENT

Senator Bettye Davis
Representative Mary Kapsner

COMMITTEE CALENDAR

HOUSE BILL NO. 37

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

- HEARD AND HELD

HOUSE BILL NO. 54

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

- HEARD AND HELD

PREVIOUS ACTION

BILL: HB 37

SHORT TITLE: STUDENT LOAN FORGIVENESS

SPONSOR(S): STEVENS

Jrn-Date	Jrn-Page	Action
01/08/01	0033	(H) READ THE FIRST TIME - REFERRALS
01/08/01	0034	(H) EDU, HES, FIN
01/08/01	0034	(H) REFERRED TO EDU
01/17/01	Text	(H) EDU AT 09:00 AM HOUSE FINANCE 519

BILL: HB 54

SHORT TITLE: STUDENT LOAN FORGIVENESS

SPONSOR(S): DAVIES

Jrn-Date	Jrn-Page	Action
01/10/01	0055	(H) READ THE FIRST TIME - REFERRALS
01/10/01	0055	(H) EDU, HES, FIN
01/10/01	0055	(H) REFERRED TO EDU
01/12/01	0074	(H) COSPONSOR(S): KERTTULA
01/17/01	Text	(H) EDU AT 09:00 AM HOUSE FINANCE 519

WITNESS REGISTER

VERNON MARSHALL, Executive Director
 NEA-Alaska, [National Education Association]
 114 Second Street
 Juneau, Alaska 99801
 POSITION STATEMENT: Testified in support of HB 37.

REPRESENTATIVE JOHN DAVIES
 Alaska State Legislature
 Capitol Building, Room 415
 Juneau, Alaska 99801
 POSITION STATEMENT: Testified as sponsor of HB 54.

LARRY WIGET, Executive Director
 Public Affairs
 Anchorage School District
 PO Box 196614
 Anchorage, Alaska 99519
 POSITION STATEMENT: Testified in support of HB 37.

ARNOLD SHYROCK
 PO Box 1632
 Kodiak, Alaska 99615
 POSITION STATEMENT: Testified on HB 37.

BETTY WALTERS, Superintendent
 Kodiak Island Borough School District

722 Mill Bay Road
Kodiak, Alaska 99615
POSITION STATEMENT: Testified in support of HB 37.

PAT HOLMES
PO Box 2651
Kodiak, Alaska 99615
POSITION STATEMENT: Testified on HB 37.

JACK WALSH, School Administrator
Kodiak Island Borough School District
722 Mill Bay Road
Kodiak, Alaska 99615
POSITION STATEMENT: Testified on HB 37.

JEFF STEPHAN, President
Board of Education
Kodiak Island Borough School District
PO Box 2917
Kodiak, Alaska 99615
POSITION STATEMENT: Testified in support of HB 37 and HB 54.

MIKE MILLIGEN
12056 Gara Drive
Kodiak, Alaska 99615
POSITION STATEMENT: Testified on HB 37 and HB 54.

LOUISE PARISH
Parent Advocate for the Learning Disabled
(Address not provided)
Valdez, Alaska

MELISSA HILL
Alaska Teacher Placement
PO Box 756880
Fairbanks, Alaska 99775
POSITION STATEMENT: Testified on HB 37.

SHEILA KING, Finance Officer
Alaska Commission on Postsecondary Education
Department of Education and Early Development
3030 Vintage Boulevard
Juneau, Alaska 99801
POSITION STATEMENT: Answered questions on HB 37 and HB 54.

ACTION NARRATIVE

TAPE 01-1, SIDE A
Number 0001

CHAIR CON BUNDE called the House Special Committee on Education meeting to order at 9:05 a.m. Members present at the call to order were Representatives Bunde, Porter, Green, Stevens, Joule and Guess. Representative Wilson joined the meeting as it was in progress.

HB 37 - STUDENT LOAN FORGIVENESS
HB 54 - STUDENT LOAN FORGIVENESS

CHAIR BUNDE announced the committee would first hear HOUSE BILL NO. 37, "An Act relating to reimbursement of certain student loans; and providing for an effective date," and then HOUSE BILL NO. 54, "An Act relating to reimbursement of student loans; and providing for an effective date," since they are similar bills.

Number 0170

REPRESENTATIVE STEVENS, sponsor of HB 37, stated that this bill fills a very important need because the state is faced with many difficulties in education. There is a real need for quality teachers, and that is crucial if students are expected to achieve through their school experience. There is also a statewide shortage of teachers, and many school districts are struggling to find people to fill the needed positions.

REPRESENTATIVE STEVENS noted that presently there is no incentive in the student loan programs to encourage students who have received their teaching certificate to return to Alaska. If Alaskans who have received that student loan can be convinced to come back and teach in Alaska, it will be a great advantage to the state.

REPRESENTATIVE STEVENS pointed out that many other states have great incentives to draw teachers, including assistance with mortgages, assistance with apartments, and all sorts of bonuses. Alaska is in a nationwide market trying to attract the same people and is at a disadvantage because of the bonuses being offered in other states. He indicated that HB 37 is just a piece of the puzzle; it does not solve all of the problems.

REPRESENTATIVE STEVENS explained that HB 37 offers 10 percent forgiveness; it is not a reimbursement. People do not get money back, but they do receive a 10 percent per year credit up to five years if they stay in Alaska. He said he thinks that once teachers are attracted to come to Alaska for five years, there is a good chance that they will stay and continue their careers here.

Number 0348

CHAIR BUNDE asked if HB 37 was aimed at teachers in general and not specific areas of teaching or geographic areas of Alaska. He mentioned that the National Student Defense Loan had a 50 percent forgiveness rate if a teacher taught for five years. If the teacher taught special education, additional monies were forgiven. He asked Representative Stevens if he wanted carte blanche as far as the forgiveness goes.

REPRESENTATIVE STEVENS said currently there is a teacher scholarship loan that is geared toward people who have decided at an early age that they want to become teachers, and it is also geared toward rural teachers. Many people do not know what they will major in their first few years in college, and this bill would expand the opportunities for people who would not be eligible under the teacher scholarship loan program. If people decide to teach after a few years of college, they could apply for this forgiveness. It is his goal to have any teacher in Alaska who has received a student loan eligible for the loan forgiveness.

CHAIR BUNDE noted there are people who have had other careers and then decide to come back and be teachers and this would help them. He asked Representative Stevens how many people have taken advantage of the teacher scholarship loan program.

REPRESENTATIVE STEVENS said he didn't know, but someone from the student loan program could probably address that issue.

Number 0512

REPRESENTATIVE GREEN commented that he has heard the same lament from principals in his district that they are having difficulty keeping and trying to get new teachers in any discipline. He asked if there is a fiscal note and does Representative Stevens concur with it.

REPRESENTATIVE STEVENS indicated that the fiscal note is in the packet, and he would like it explained to him.

Number 0571

REPRESENTATIVE JOULE agreed that HB 37 is a good step in the right direction. One of the problems that plagues the state, especially in rural Alaska, in addition to getting teachers to come out to the rural areas, is to get them to stay there. Teacher retention is an issue. Studies show that if there is consistency in the classroom with teachers and longevity, not only do they get to know the curriculum and the children, the chances of them doing better goes up. He asked Representative Stevens if he had given any thought to getting people to stay longer by providing additional incentives beyond the 50 percent, so there will be some retention of teachers. He asked if Representative Stevens and the committee would be willing to entertain additional incentives to retain teachers in rural areas.

REPRESENTATIVE STEVENS said he hadn't considered that but agreed that is a problem. He explained that even though HB 37 says it is for five years, 10 percent a year for a total of 50 percent forgiveness, it really works by the teacher having to teach the first year before he/she is even considered, so someone would have to teach for six years to realize the 50 percent forgiveness. He said he thought if someone stayed for six years, there would be a good chance that he/she may want to stay.

Number 0756

REPRESENTATIVE GUESS asked if HB 37 would only be in effect if someone stayed in the same school or school district, or would it be in effect regardless of where the person taught.

REPRESENTATIVE STEVENS agreed it would be in effect regardless of where the person taught.

REPRESENTATIVE GUESS said it wouldn't necessarily stem the tide of the problem of people moving between districts.

REPRESENTATIVE STEVENS agreed that it wouldn't solve that problem, but it would be an accumulative thing.

Number 0804

VERNON MARSHALL, Executive Director, NEA-Alaska, [National Education Association], came forward to testify. He said the NEA-Alaska is pleased that HB 37 has been introduced. As HB 54 also relates to the efforts to attract and retain teachers in Alaska classrooms, the NEA-Alaska is pleased that the bills have been introduced. It appreciates the focus on the classroom. There is a teacher shortage in Alaska and in this country. Partly because of the teacher shortage in this country, it does make it very difficult for Alaska to step up to the employment plate and have to compete with the rest of the states.

MR. MARSHALL told the committee about a job fair held in Anchorage where a school district in California had a booth and offered financial incentives for Alaskans to take California jobs. He agreed that HB 37 could serve as an incentive to attract people to the teaching profession. Alaska is struggling to attract and keep quality teachers. A program such as loan forgiveness is one means to strengthen the teaching force.

MR. MARSHALL noted there are a lot of excellent teachers in classrooms who struggle to deal with almost new learning environments in order to teach all children relative to new instructional strategies or to confront the learning problems found in classrooms. The committee may want to think about an effort on the part of the state to encourage those with undergraduate degrees who are teaching in Alaska schools to take advantage of the university's master's program for higher levels of training and experience.

Number 1032

CHAIR BUNDE asked Representative Stevens if there was anything in HB 37 to preclude someone taking a student loan and getting a master's degree and then continuing to teach in Alaska to be eligible for the loan forgiveness.

REPRESENTATIVE STEVENS explained that anybody could apply for a student loan for graduate work, and it would all count toward the loan forgiveness.

REPRESENTATIVE STEVENS asked Mr. Marshall to comment on the incentives from other states.

MR. MARSHALL replied that he would be glad to get him a report, but he is aware of hiring bonuses, housing relocation offers, loan forgiveness programs, and even memberships in athletic-type facilities. There are many different types of programs being offered to attract teachers and the market is lean, so states have had to institute these things.

CHAIR BUNDE asked Representative Davies to present HB 54 and then the Alaska Commission on Postsecondary Education will be asked to comment on both bills.

Number 1147

REPRESENTATIVE DAVIES, Alaska State Legislature, sponsor of HB 54, came forward to present the bill. He noted that the fundamental difference between HB 54 and HB 37 is that HB 54 applies to anybody who has a student loan and stays in Alaska for the requisite five years. He noted that almost everything that Representative Stevens said also applies to HB 54. The fundamental motivation to enlarge the scope is because the Alaska student loan program is different than what most states would have. Many states have loan programs that apply to both in-state and out-of-state students who attend school in that state. The Alaska student loan program works oppositely in terms of its incentive for getting qualified people into the work force in that state. For example, a student from Alaska can get a Massachusetts school loan if he/she is attending a school in Massachusetts. Those student loan programs have the effect of bringing qualified people to the state.

REPRESENTATIVE DAVIES reported that there is a problem in Alaska of a huge "brain drain." There is a decline in the population between ages 18-34. He said he believes part of the reason is that the Alaska student loan program works in the direction of taking some of those qualified individuals out of the state. Alaska has a unique circumstance because it is a big state but sparsely populated; there are a few good universities in the state. Other states have many good universities with many opportunities for students. From a parent's point of view, having a student loan program in those states doesn't limit their student's options as much as that kind of a structure would if that were done in Alaska. There are some good reasons why the student loan program is structured as it is, but it has at least one severe unintended consequence.

REPRESENTATIVE DAVIES noted that the obvious drawback is it is expensive, but the only other option, it seems to him, would be to convert it to a program where it was only for students who attend college in the state. If the state can afford it, that is not the direction to go.

REPRESENTATIVE DAVIES explained that there are other professions besides teaching where there are shortages: nursing, for example. Alaska is also going to need a lot of trained people to work hopefully on the gas pipeline which will require training at higher levels, in operator levels. The work force on the existing pipeline will have to be replaced also. This bill would apply to keep some of that talent in the state.

REPRESENTATIVE DAVIES noted that there is always the question of equity between groups of people, so the equity issue is covered in HB 54 as well. He agreed that this is undoubtedly an expensive proposition and the broader it is, the more expensive it will be. He has thought about some other things like limiting the scope of the loan, which the committee might consider to help with the cost.

Number 1401

LARRY WIGET, Executive Director, Public Affairs, Anchorage School District (ASD), testified via teleconference on HB 37. He read the following testimony:

The Anchorage School District does support legislation which enables districts to address shortages of public school teachers and has adopted as an ASD board legislative priority the support of legislation enabling districts to address the shortage of certificated special education and related personnel statewide.

A reimbursement program for borrowers employed as public school teachers particularly in areas of high need, such as math, world languages, science, technology and librarians, as well as special education and related services personnel, is one means of helping all our districts who need teachers.

Thus, the Anchorage School District supports the

concept of a student loan reimbursement in HB 37 and asks the committee ... to consider the following in your discussion: the expansion of the bill, if not already, to include special education and related personnel outside the classroom and to expand the bill, and I think you've done this, to graduate programs, particularly in the areas of severe shortages such as special education and related services.

Number 1500

ARNOLD SHYROCK testified via teleconference. He and his wife are parents of a child who has a student loan. The one aspect of the bill that they both noticed is the applicability. What they have seen through this process - their daughter is in her fifth year of student loans in a master's program - is the lack of evenhandedness. There is always a special deal; if a student was born in a certain time or graduated in a certain time, if he/she is a good student, then tuition is forgiven. He suggested making the bill applicable to all students who have taken student loans in Alaska, not just the ones who will be taking student loans in 2001 and beyond.

MR. SHYROCK said that all the money their daughter gets from the student loan is going for tuition and then some. She struggles to make it. They've looked at all the special deals and thought their daughter was just born at the wrong time. She has worked hard; she's been a good student; she was a top graduate of her university; and yet she struggles just to get through school. He would like to see the applicability extended backwards to include all students that have had student loans.

CHAIR BUNDE said that the committee would certainly ask for input from the Alaska Commission on Postsecondary Education as to what the price tag would be to make this retroactive to all student loans. He noted that it is interesting that these loans are provided, but he wondered if it is always a good idea to encourage people to graduate \$40,000 or \$50,000 in debt. That is an on-going question and a challenge.

Number 1595

BETTY WALTERS, Superintendent, Kodiak Island Borough School District, testified via teleconference. She said that

encouraging the residents of Alaska, both recent high school graduates, as well as adults returning to the college or university setting to graduate and remain in Alaska or return to Alaska is imperative. She specifically addressed HB 37 but certainly supports both of these bills. She addressed the incentives that are given by people outside the state of Alaska, the districts and the communities. People are encouraged to enter the field of education, and then they are given those opportunities outside Alaska. She said that it is important for everyone to know the difficulties that Kodiak is having, as well as other districts across the state, in recruiting and keeping teachers and other certified staff. She encouraged the committee to consider this and move this bill through the process.

Number 1684

PAT HOLMES testified via teleconference. He has two sons that were born and raised in Alaska. One is in medical school in Virginia, and he ended up getting much better financing program down there. He did not use the Alaska student loan at all. His other son is at the University of Washington and is using the student loan program, but he won't be a teacher. He's studying biology. If it came to a choice of the bills, the teacher bill would be the easier one to sell the legislature, but he is a parent, and he thinks about his children. As far as benefiting Alaska's children and getting them back to Alaska, HB 54 probably would be of greater interest to him.

MR. HOLMES mentioned that the reason his younger son left Alaska was shortly after he started college in Fairbanks, the bill was passed for tuition forgiveness for the upper 10 percent, and he was disgusted with that, just like the Shryock's daughter. He said he thinks that this teacher problem extends up into the university because one of his sons told him about a geography class on Alaskan geography that was taught by some guy from Arkansas, and his son thought that was amusing because he had been to more places in Alaska than the professor had. He urged the committee to consider an incentive to attract Alaskans back to being professors at the university.

CHAIR BUNDE clarified that the Alaska Scholars Program, the top 10 percent of the high school graduates that are getting tuition waivers, was not a legislative program; it was a university program.

Number 1802

JACK WALSH, School Administrator, Kodiak Island Borough School District, testified via teleconference. He has been involved in the hiring process of teachers for the last few years. He has traveled to Minneapolis and the Midwest and other places trying to help with that process of attracting some of the top teachers. There are a lot of things to compete with that are going on around the country that put Alaska at a tremendous disadvantage. For example, Baltimore provides teachers with low-interest mortgages; he has heard of a California district that gave a \$5,000 signing bonus, depending on the specialty area, when it was in the Anchorage Captain Cook [at a job fair]; Chicago offers similar kinds of assistance.

MR. WALSH noted that he likes the idea that the bill provides the assistance and relief for all teachers and may encourage many to look at this career as one they can come back to and be very productive in the state where they grew up. As a former special education director, he'd have to put in the plug for at least the consideration of greater forgiveness for those specialty areas of special education, speech and language, PT/OT [physical therapy/occupational therapy] and some of the harder-to-fill positions. He supports both bills but more heavily favors the one for education.

Number 1882

CHAIR BUNDE informed the committee and the audience that as a general rule, it will not be the committee's policy to move a bill the first hearing. Action won't be taken on the bill until there is an opportunity to gather more information, and then there will be a second hearing.

Number 1907

JEFF STEPHAN, President, Board of Education, Kodiak Island Borough School District, testified via teleconference. He expressed support for HB 37 and said it becomes more and more difficult to recruit quality teachers to Alaska. He believes that an in-depth assessment of this issue would illustrate a very troublesome trend. The recruitment of top talent of teachers for Alaskan schools is a very critical issue for the state and for the children. He hopes that the committee will

recognize in the attempt to recruit high-quality teachers and somehow match the competitive situation that exists outside would also assist with meeting some of the benchmarks and standards in the high school qualifying exam.

MR. STEPHAN stated that districts in other states are evermore competitive; Alaska is less and less able to compete for quality teachers. Education is a very important key to the future of the state itself. The state has to do what it can to prepare for the new challenges that face it in this century. He said that HB 37 is a good first step toward addressing this issue.

MR. STEPHAN mentioned that the issue of retention in the villages raised by Representative Joule is very relevant. He has no suggestion for the structure or construct of a solution to that, but it is probably an issue that needs to be addressed. Kodiak is a unique district in that it has both urban and rural school settings and can understand the issue of retention of teachers in the villages.

Number 2049

MIKE MILLIGEN testified via teleconference. He noted that he is pleased to see both of these bills so early in the session. He said that he feels that the problem in education runs deeper than what may be addressed particularly by HB 37. He also is concerned with the "brain drain" that is occurring in Alaska. He agreed with [University] President Hamilton who has encouraged the state to invest in the university system because if people go to school in Alaska, the chances are they will seek employment in Alaska.

MR. MILLIGAN noted that when people look for employment they look at what the job pays. According to information he gathered last year from Quality 2000, Alaska's average teacher pay is within \$900 of the average teacher pay for a teacher in Tennessee. If that situation continues, Alaska can expect to always have to offer things that he classifies as baubles or gimmicks to keep teachers here. Alaska will never be able to catch up. He said the basic problem is that teacher pay needs to be higher.

MR. MILLIGAN explained that he is a single parent in his forties currently going to school at Kodiak College and is pursuing an associate degree. He has been substitute teaching since 1995.

If he is lucky, he can make \$13,000 a year as a non-certified substitute teacher. He thinks he's a good teacher, but he can make more money right now with an associate degree than he can with a bachelor degree in teaching, so he is going to pursue a profession that doesn't involve teaching. This is a subject that needs to be dealt with immediately. The root of the problem is that the educational system needs more money put into it. As long as the average teacher pay is the same as average teacher pay in the states, Alaska can expect to fight to get teachers and in many cases lose that fight.

Number 2176

LOUISE PARISH, Parent Advocate for the Learning Disabled, testified via teleconference. She expressed support for HB 37 and would even like to see it go up to 100 percent if possible. One of her daughters receives special education in Alaska, and her other daughter is a sophomore in college and is now thinking of majoring in education. She said she thinks it is a good idea to leave the options open for college students so they are able to decide later on what they want to do.

MS. PARISH informed the committee that when her daughter told her advisor that she was interested in becoming a teacher, he told her that that was laudable, but she could expect to make \$50,000 in the private sector with a math degree as opposed to \$25,000 as a teacher in Iowa. Her daughter has student loans from Alaska and with the 50 percent forgiveness would amount to about \$20,000. When someone is looking at the difference in going into the private sector anywhere in the nation or to coming back to Alaska, the incentives have to be as strong as possible. She supports the 50 percent forgiveness and would hope it would move up to 100 percent if possible.

MS. PARISH also noted that there has been an unfilled special education position in Valdez for the last six months. It is disturbing to her as a parent to finally get the special education position and then not be able to fill it.

Number 2328

MELISSA HILL, Alaska Teacher Placement (ATP), testified via teleconference. She agreed that teacher retention is an issue. The two biggest factors seen by surveys done by ATP pertaining to the rural districts are the salaries and the housing

situation. Because the cost of living has increased in the rural districts, it is hard to convince teachers to go out to the rural districts where potentially they could run into situations where there is no running water. The second biggest question she usually gets after the question of certification is what kind of incentives does Alaska offer. There is concern regarding the incentives offered by other states.

TAPE 01-1, SIDE B

Number 0001

MS. HILL said she gets a lot of calls from teachers who have been in a rural area. The retention rate for the rural areas is about two to three years. That is something to consider in this bill. Any incentives that can be implemented in the state will definitely encourage the ATP in its recruitment efforts.

Number 0070

REPRESENTATIVE GUESS asked Ms. Hill if there is the potential to train enough Alaskans either in or out of the state as teachers to fill the positions, or will districts need to still recruit people who are not Alaska residents.

MS. HILL answered that the university system does not technically produce enough teachers to fill the need. The whole university system produces about 30 percent of the actual need for the demands in the state; however, only 17 percent of those are actually going into the pool, so districts do have to look outside the state in order to fill the demand. The ATP does track the number of Alaska Natives that are encouraged to go into the teaching profession. Right now Alaska Natives make up about 5 to 7 percent of the hires in the state. The Lower Kuskokwim school district has a scholarship program available where the district actually pays for the local residents to go to school for up to five years at any Alaskan university, then the teachers come back and work for that district to pay off that loan.

CHAIR BUNDE asked Ms. Hill how many participants are in the Alaska Scholarship Program for encouraging native folks to become teachers.

MS. HILL replied that they don't actually track those numbers; that could be looked into. For example, in Lower Kuskokwim

three students are currently in the program and who will go back to work in their school district next year. These are very non-traditional students. There needs to be good support systems so these students will succeed.

CHAIR BUNDE asked if Ms. Hill said nearly half of the students who graduate in education are choosing to not either work in education in Alaska or leave the state.

MS. HILL replied yes. There are two reasons for that. Some of the teachers in programs are already teaching on waiver, so those applicants are not going back into the hiring pool because they already have jobs.

Number 0322

REPRESENTATIVE JOULE asked what the percentage of Alaska Native teachers is in the Lower Kuskokwim school district that offers incentives as compared to the 5 to 7 percent mentioned earlier.

MS. HILL answered in that school district it is at 17 percent, getting close to 20 percent.

Number 0384

SHEILA KING, Finance Officer, Alaska Commission on Postsecondary Education (ACPE), Department of Education and Early Development, came forward to answer questions. She commented that the ACPE is still reviewing the bills. The commission is in support of the concept of trying to retain and attract teachers and others in professions needed in the state. Regarding a retroactive application of the forgiveness in either bill, she highlighted some issues that need to be considered: Regarding the fairness issue that was brought up, the loans that are developed for each program year are issued with specific loan terms and loan types, and those may change prospectively. The commission develops those loan terms because of its bond indentures. In retroactively applying changes to those terms, the commission needs to make sure that the bond holders are made whole because there are agreements regarding the bonds that have been purchased to fund these loans.

CHAIR BUNDE explained that when the student loan program was initiated, it was funded by the general fund, so there wasn't a great concern about due diligence and payback because there was

always a bottomless pit of money coming into the student loan. About ten years ago the legislature said it can't afford this any longer; the fund was basically "annuitized" and the commission was told to sell bonds to support the loans because there will be no more general fund money. It is now self sustaining and just last year turned a profit.

CHAIR BUNDE mentioned several areas of information that Ms. King could later share with the committee on this subject.

REPRESENTATIVE JOULE suggested an earlier start time for the committee since time has run out today.

Number 0708

MS. KING referred to the fairness issue and said that people who prepay their loans or who have paid off prior to the effective date would also be excluded.

REPRESENTATIVE GUESS asked Ms. King if the forgiveness laws worked when it was offered before and if more young people came back to Alaska under the previous forgiveness laws.

CHAIR BUNDE said he would be interested in seeing what impact that had on the default rate. [HB 37 and HB 54 were heard and held.]

ADJOURNMENT

Number 0810

There being no further business before the committee, the House Special Committee on Education meeting was adjourned at 10:05 a.m.