

**HOUSE BILL NO. 33**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE STEVENS

Introduced: 1/21/03

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

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to forgiveness of certain 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 article 6 to read:

5 **Sec. 14.43.180. Loan forgiveness of loans made to borrowers employed as**  
6 **public school teachers.** (a) The state shall forgive a loan made to a borrower who  
7 has received an undergraduate or graduate degree from a college or university, is  
8 employed at a public elementary or secondary school within the state as a teacher, and  
9 has complied with AS 14.43.172. The amount to be forgiven under this section is the  
10 portion of the payments to be made by the borrower for a loan made under  
11 AS 14.43.170 - 14.43.175 equal to the following percentages of the total loan received  
12 plus interest, up to a total of 50 percent of the total loan plus interest:

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

- 1                   (3) three years employment, an additional 10 percent;  
2                   (4) four years employment, an additional 10 percent;  
3                   (5) five years employment, an additional 10 percent.

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

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, 2003, and  
12                  to a person's employment that occurs on or after July 1, 2003.

13                  \* **Sec. 3.** This Act takes effect July 1, 2003.