

HOUSE BILL NO. 405

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

BY REPRESENTATIVES CRAWFORD, Kawasaki, Doll, Kerttula

Introduced: 2/19/08

Referred: House Special Committee on Military and Veterans' Affairs, Health, Education and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to forgiveness of a percentage of student loans for a member of the**
2 **armed forces deployed since 2001."**

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. 14.43.925. Loan forgiveness for certain military personnel.** (a) A
6 portion of a loan made to a borrower by the commission shall be forgiven by the state
7 if the borrower is a resident of the state, has served in the armed forces, and was
8 deployed to Afghanistan or Iraq during or after 2001.

9 (b) The portion of the loan that shall be forgiven by the state under this section
10 is 50 percent of the total loan amount, plus interest, not to exceed \$20,000.

11 (c) Forgiveness of a portion of a loan under this section is subject to
12 appropriation and is not a financial obligation of the corporation.

13 (d) In this section, "armed forces" means the armed services or forces of the
14 United States or the Alaska National Guard or Naval Militia.

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

3 **APPLICABILITY.** The provisions of this Act apply to loans that have an outstanding
4 balance on the effective date of this Act and to loans made after the effective date of this Act.