Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	SB 94
Fiscal Note Number:	1
(S) Publish Date:	2/24/2021

Identifier: 0644-EED-ACPE-2-18-21
Title: EDUCATION & SUPPLEMENTAL LOAN PROGRAMS
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Governor

Department: Department of Education and Early Development
Appropriation: Alaska Commission on Postsecondary Education
Allocation: Program Administration & Operations
OMB Component Number: 2738

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	**FY 2022**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**	**FY 2026**	**FY 2027**
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Fund Source (Operating Only)

None							
Total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

Estimated SUPPLEMENTAL (FY2021) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2022) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No

(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No

If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Initial version, not applicable.

Prepared By:	Sana Efird, Executive Director	Phone:	(907)465-6740
Division:	Alaska Commission on Postsecondary Education	Date:	02/18/2021 10:00 AM
Approved By:	Lacey Sanders, Administrative Services Director	Date:	02/19/21
Agency:	Office of Management and Budget		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

Analysis

This bill provides the Alaska Commission on Postsecondary Education (Commission) with a number of authorities that will allow the Commission to better meet Alaskans' student loan needs, and thus is expected to increase the origination of loans funded by the Alaska Student Loan Corporation (Corporation).

The new authorities are:
- Amend AS 14.43.122(b) by expanding the population eligible to apply for Alaska Refinancing Loans to include previous Alaska borrowers and graduates from Alaska high schools and postsecondary institutions, as well as current Alaska residents.

- Amend AS 14.43.173(a) by eliminating the loan maximums in statute and providing for the Corporation to set the annual loan maximums, in order to be more responsive to the needs of Alaska students and higher education institutions, especially when tuition costs change.

- Amend AS 14.43.173(b) by eliminating lifetime loan maximums in statute and providing for the Corporation to set lifetime loan maximums, in order to be more responsive to the needs of Alaska students and higher education institutions, especially when tuition costs and annual loan limits change.

- Amend AS 14.43,173(d) by making conforming changes to allow the Corporation to set loan limits for both half-time and full-time loans.

- Amend AS 14.43.175 by providing for the Commission to offer future student loan borrowers a loan program with immediate repayment requirements. Such a loan would reduce costs for student borrowers because interest would not be deferred and capitalized. Such a loan would be an option new student borrowers could choose to apply for to lower costs and would not impact current borrowers.

This bill has an effective date of July 1, 2021 (FY2022).

This bill is not anticipated to increase agency operating costs. There is no fiscal impact to the Commission as a result of this legislation.