

Original sponsors: Ellis, Koponen,
Menard et al.

1 IN THE HOUSE

THE FINANCE COMMITTEE

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CS FOR HOUSE BILL NO. 409 (Finance)

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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FIFTEENTH LEGISLATURE - SECOND SESSION

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A BILL

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For an Act entitled: "An Act relating to forgiveness of student loans of
certain health care professionals; and providing for
an effective date."

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

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* Section 1. AS 14.43.120 is amended by adding new subsections to read:

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(s) If a borrower meets the conditions provided in this section

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and is employed as a health care professional in an area more than 60

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miles from a hospital, or in an area determined to have a health care

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professional shortage for the borrower's profession by the Department

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of Health and Social Services under AS 44.29.020(b), a portion of the

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loan shall, subject to appropriation by the legislature, be paid by

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the state equal to the following percentages of the total loan re-

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ceived plus interest up to a total of 70 percent of the total loan:

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(1) one year employment, 10 percent; (2) two years employment, an

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additional 12 percent; (3) three years employment, an additional 14

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percent; (4) four years employment, an additional 16 percent; (5) five

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years employment, an additional 18 percent. In this subsection,

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"health care professional" means a person who is licensed as a physi-

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cian or osteopath under AS 08.64.230, or as a registered nurse under

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AS 08.68.190 or 08.68.200.

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(t) Notwithstanding any other provision of law, while a person's

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loan is being paid by the state under (s) of this section, that person

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may not receive forgiveness of a loan under any other section of this

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chapter.

1 * Sec. 2. AS 44.29.020 is amended by adding a new subsection to read:

2 (b) The department shall, by September 30 of each year, prepare
3 a report that (1) lists by profession those geographic areas of the
4 state that have a health care professional shortage, (2) identifies
5 the number of health care professionals employed in each area of
6 shortage, and (3) recommends changes to the health care professional
7 loan forgiveness program under AS 14.43.120(s). The report prepared
8 under this subsection shall be provided to the Alaska Commission on
9 Postsecondary Education. The commissioner of health and social ser-
10 vices shall adopt regulations regarding the determination of geo-
11 graphic areas with a health care professional shortage. In this
12 subsection "health care professional" has the meaning given in AS 14.-
13 43.120(s).

14 * Sec. 3. APPLICABILITY. This Act applies to a person's employment as
15 a health care professional that occurs after July 1, 1988.

16 * Sec. 4. This Act takes effect July 1, 1988.