

1 IN THE HOUSE

BY GRUENBERG

2

HOUSE BILL NO. 497

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act creating the Alaska college savings program."

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

8 * Section 1. AS 14.42 is amended by adding a new section to read:

9 Sec. 14.42.060. ALASKA COLLEGE SAVINGS PROGRAM. (a) There is
10 established the Alaska college savings program. The program is creat-
11 ed to allow a person to save the person's permanent fund dividend or
12 other money for future education expenses by depositing the dividend
13 or other money into the Alaska college savings account within the
14 student load fund.

15 (b) The program shall be administered by the Alaska Commission
16 on Postsecondary Education under regulations adopted by the commis-
17 sion. The commission shall enter into an agreement with the Alaska
18 Student Loan Corporation for the administration of funds deposited
19 into the college savings account.

20 * Sec. 2. AS 14.42 is amended by adding a new section to read:

21 Sec. 14.42.215. ALASKA COLLEGE SAVINGS ACCOUNT. (a) There is
22 established in the student loan fund the Alaska college savings ac-
23 count. The account consists of voluntary deposits transferred from
24 permanent fund dividends to the fund under AS 43.23.016 and earnings
25 of the account. The account may be used to make payments to individu-
26 als as provided under (b) of this section.

27 (b) A person may withdraw funds from the Alaska college savings
28 account up to an amount equal to the voluntary deposits and any inter-
29 est earned on the deposits.

1 * Sec. 3. AS 43.23 is amended by adding a new section to read:

2 Sec. 43.23.016. DEPOSITS TO ALASKA COLLEGE SAVINGS ACCOUNT. The
3 department shall prepare the permanent fund dividend application to
4 allow an applicant to elect to have the dividend deposited in the
5 Alaska college savings account under AS 14.43.215. The department
6 shall deposit into the account the dividend of a person electing to
7 make the deposit provided in this section.