

SB

170

SFIN

FILE

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. SB170

Revision Date (Note if correction)	January 7, 1998	Dept. Affected	Education
Title	An Act relating to financial assistance for students attending certain graduate education programs, and providing for an effective date.	BRU	Alaska Commission on Postsecondary Education
Sponsor	Senator Taylor	Component	Student Loan Operations
Requester	Senate Finance	Component Serial No.	213

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	10.0	5.0	5.0	5.0	5.0	5.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	10.0	5.0	5.0	5.0	5.0	5.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ()						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	10.0	5.0	5.0	5.0	5.0	5.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	10.0	5.0	5.0	5.0	5.0	5.0

Estimate of any current year (FY98) cost:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation will convert the WWAMI Medical Education Program to a loan program. The proposed loan program will have forgiveness benefits based on the number of years the borrower is employed within the state, in the field which the financial aid was borrowed for. The Benefit proposed is 20% per year up to full forgiveness (5 years). (cont'd)

Prepared by Mike Maher, Director of Student Loan Operations
 Division Student Loan Operations
 Approved by Executive Director: Diane Barrans
 Agency: Alaska Commission on Postsecondary Education

Phone 465-6743
 Date January 7, 1998
 Date: 1/14/98

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SB 170

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. SB170

ANALYSIS: *(Continued)*

The interest rate would be the same as the Alaska Student Loan Program, and tied to the cost of bonds. It provides for a 6 month grace period upon terminating studies, and payment does not begin as long as the borrower remains qualified for forgiveness.

Given the pass-through nature of the present WWAMI Medical Education Program, the cost and time necessary to administer the program has been minimal. However, ACPE will incur costs for programming, establishing control records, and testing. It is estimated that testing will require two staff between 2-3 weeks of work, prior to a new loan program being added to the recently implemented loan management system, HELMS.

It would be inappropriate to continue to utilize ACPE's primary operating funding source, corporate receipts, to administer a general fund loan program.

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FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

No. 1
 Bill Version: CSSB 170(HES)
 (S) Publish Date: 4/30/97

Revision Date: _____
 Title: "An Act relating to financial assistance for students attending certain graduate education programs, and providing for an effective date."

Department Affected: Education

Sponsor: Senator Taylor
 Requester: Senate HESS

Component: Student Loan Operations

COMPONENT SERIAL NO. 213

EXPENDITURES/REVENUES:

OPERATING EXPENDITURES	FY98	FY99	FY00	FY01	FY02	FY03
PERSONAL SERVICES	10.0	5.0	5.0	5.0	5.0	5.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	10.0	5.0	5.0	5.0	5.0	5.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUE ()						
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(Thousands of Dollars)

FUND SOURCE:

1002 Federal Receipts						
1003 GF Match						
1004 GF	10.0	5.0	5.0	5.0	5.0	5.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
OTHER						
TOTAL						

Estimate of any current year (FY 97) cost: \$

POSITION:

FULL-TIME						
PART-TIME						
TEMPORARY						

Analysis: Attach a separate page if necessary.)

This legislation will convert the WAMI Medical Education Program to a loan program. The new loan program will have forgiveness benefits based on the number of years the borrower is employed within the state, in the field for which the financial aid was borrowed for. The benefit proposed is 20% per year up to full forgiveness (5 years).

Prepared by: Mike Maher, Dir. of Student Loan Operations
 Division: Student Loan Operations

Phone: 465-6743
 Date: April 20, 1997

Approved by Executive Director: Diane Barrans
 Agency: Alaska Commission on Postsecondary Education

Date: April 20, 1997

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ANALYSIS: (continued)

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