

SB

277

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE RETURNED: 3/15/04

REPORTED OUT

MAR 22 2004

SENATE FINANCE
COMMITTEE

SENATE BILL NO. 277

FURTHER:

DATE TURNED IN TO OFFICE: 22 March 2004

Finance Committee considered

SB 277 STUDENT LOAN PROGRAMS

"An Act relating to the Alaska Commission on Postsecondary Education; relating to the Alaska Student Loan Corporation; relating to bonds of the corporation; relating to loan and grant programs of the commission; relating to an exemption from the State Procurement Code regarding certain contracts of the commission or corporation; making conforming changes; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 277 (FIN)
- adopt previous _____ CS Conforming _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:
 Same Title
 New Title

House Bill:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero.	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
Education	9/2/04	120.0			#5
DCE D	12/2/03			✓	#2
Admin	12/12/03			✓	#1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>Paul Ryan</i>			✓	
<i>John H. ...</i>			✓	
<i>...</i>			✓	
<i>Ben Stevens</i>	✓			
COCHAIR: <i>Linda Green</i>	✓			
COCHAIR: <i>...</i>	✓			

ADOPTED

WORK DRAFT

WORK DRAFT

WORK DRAFT

23-GS2003\Q
Cook
3/17/04

CS FOR SENATE BILL NO. 277(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

**Offered:
Referred:**

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the Alaska Commission on Postsecondary Education; relating to the**
2 **Alaska Student Loan Corporation; relating to bonds of the corporation; relating to loan**
3 **and grant programs of the commission; relating to an exemption from the State**
4 **Procurement Code regarding certain contracts of the commission or corporation;**
5 **making conforming changes; and providing for an effective date."**

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

7 *** Section 1. AS 14.42.030(e) is amended to read:**

8 **(e) The commission may**

9 **(1) adopt regulations under AS 44.62 (Administrative Procedure Act)**

10 **to**

11 **(A) carry out the purposes of**

12 **(i) AS 14.43.091 - 14.43.750, 14.43.990, AS 14.44, and**

13 **AS 14.48; and**

1 (ii) AS 14.43.910 and 14.43.920 as they relate to the
2 purposes of AS 14.43.091 - 14.43.750, 14.43.990, AS 14.44, and
3 AS 14.48; [AND]

4 (B) ensure compliance with the requirements imposed by state
5 and federal statutes and regulations governing the guaranty, insurance,
6 purchase, or other dealings in eligible loans by federal agencies,
7 instrumentalities, or corporations; and

8 (C) establish standards for the

9 (i) administration of hearings conducted under
10 AS 14.43.153; and

11 (ii) administrative enforcement of collection orders
12 under AS 14.43.151 - 14.43.155;

13 (2) delegate to the executive director of the commission or a
14 subcommittee of the commission any duty imposed on or power granted to the
15 commission by this chapter, AS 14.43, AS 14.44, or AS 14.48, except its power to
16 adopt regulations and its duty to consider appeals under AS 14.43.100(b) and
17 AS 14.48.120;

18 (3) establish task forces, committees, or subcommittees, not
19 necessarily consisting of commission members, to advise and assist the commission in
20 carrying out its functions;

21 (4) contract with or use existing institutions of postsecondary
22 education or other individuals or organizations to make studies, conduct surveys,
23 submit recommendations, or otherwise contribute to the work of the commission;

24 (5) establish fees for the review of an out-of-state institution that

25 (A) requests approval for participation in the programs under
26 AS 14.43.091 - 14.43.750, 14.43.990, and AS 14.44; and

27 (B) is not accredited by a national or regional accreditation
28 association recognized by the Council for Higher Education Accreditation; and

29 (6) collect all fees and costs incurred in collection of the amount owed
30 on a loan or repayment obligation if the loan or repayment obligation becomes
31 delinquent or in default; in this paragraph, fees and costs include attorney fees, court

1 costs, and collection fees charged by a collection agency.

2 * **Sec. 2.** AS 14.42.210(a) is amended to read:

3 (a) The education loan fund is established in the corporation. The education
4 loan fund is a trust fund to be used to carry out the purposes of AS 14.42.100 -
5 14.42.990, AS 14.43.091 - 14.43.175, 14.43.400 - 14.43.420, 14.43.600 - 14.43.700,
6 14.43.710 - 14.43.750, 14.43.990, and AS 14.44.025. The fund consists of money or
7 assets appropriated or transferred to the corporation for the fund and money or assets
8 deposited in it by the corporation. The corporation may establish separate accounts in
9 the fund.

10 * **Sec. 3.** AS 14.42.210(b) is amended to read:

11 (b) Money and other assets of the education loan fund may be used to

12 (1) secure bonds of the corporation;

13 (2) pay the costs of administration of the fund;

14 (3) invest in education loans and investments under AS 37.10.071;

15 (4) finance programs approved under AS 14.43.091 - 14.43.175,
16 14.43.400 - 14.43.420, 14.43.600 - 14.43.700, 14.43.710 - 14.43.750, or
17 AS 14.44.040; and

18 (5) pay the costs of administering and collecting the loans and
19 repayment obligations under the financial aid programs listed in (4) of this subsection.

20 * **Sec. 4.** AS 14.42.220(a) is amended to read:

21 (a) The [SUBJECT TO (f) OF THIS SECTION, THE] corporation may
22 borrow money and may issue bonds, on which the principal and interest are payable
23 from its income and receipts or other assets or a designated part or parts of them. The
24 corporation may use the proceeds of its bonds for any purposes that the
25 corporation considers appropriate, including providing money to

26 (1) make or purchase education loans;

27 (2) finance programs identified in AS 14.42.210;

28 (3) finance projects of the state as those projects may be identified
29 by law; and

30 (4) pay for any other purpose or program of the corporation that
31 is authorized in AS 14.42.100 - 14.42.310.

1 * **Sec. 5.** AS 14.42.220 is amended by adding a new subsection to read:

2 (g) The corporation may not issue bonds to finance projects under (a)(3) of
3 this section in an aggregate amount that exceeds \$280,000,000.

4 * **Sec. 6.** AS 14.43.120(u) is amended to read:

5 (u) The corporation [COMMISSION] by regulation shall set a loan
6 origination fee, not to exceed five percent of the total education loan amount, to be
7 assessed upon an education loan that is funded from the education loan fund of the
8 corporation [ALASKA STUDENT LOAN CORPORATION]. The loan origination
9 fee shall be deducted by the commission at the time the loan is disbursed. The
10 [SUBJECT TO APPROPRIATION, THE] loan origination fees shall be deposited into
11 an origination fee account within the education loan fund of the corporation
12 [ALASKA STUDENT LOAN CORPORATION], and subsequently used by the
13 corporation to offset losses incurred as a result of death, disability, default, or
14 bankruptcy of the borrower.

15 * **Sec. 7.** AS 14.43.122(a) is amended to read:

16 (a) The commission may offer

17 (1) a borrower who has received more than one education loan
18 [UNDER AS 14.43.091 - 14.43.160] the option of consolidating the multiple loans
19 into a single loan; or

20 (2) to consolidate education loans made [UNDER AS 14.43.091 -
21 14.43.160] to married borrowers if the married borrowers agree to be jointly and
22 severally liable for repayment of the consolidated loan, regardless of the borrowers'
23 future marital status or the death of one of the borrowers.

24 * **Sec. 8.** AS 14.43.145(a) is amended to read:

25 (a) For the purposes of this chapter, a loan is in default after a loan payment
26 has become 180 or more days past due or, for a loan under AS 14.43.161 - 14.43.168
27 or 14.43.170 - 14.43.175, the default requirements established by the commission have
28 been met. Upon default,

29 (1) repayment of the remaining balance is accelerated and due;

30 (2) the commission may take the borrower's permanent fund dividend
31 under AS 43.23.067;

1 (3) the commission may issue an order to withhold and deliver under
2 AS 14.43.147;

3 (4) the commission may provide notice of the default to a licensing
4 entity for nonrenewal of the license under AS 14.43.148; [AND]

5 (5) the commission may record the lien created under AS 14.43.149;

6 and

7 (6) the commission may establish an administrative collection
8 order under AS 14.43.151 - 14.43.155.

9 * Sec. 9. AS 14.43 is amended by adding new sections to read:

10 **Sec. 14.43.151. Authority and procedure to administratively establish and**
11 **enforce a collection order.** If a judgment in favor of the commission has not been
12 entered by the court regarding a defaulted loan awarded under this chapter, the
13 commission may establish a duty to repay the defaulted loan through a collection order
14 using the procedures prescribed in AS 14.43.152 - 14.43.155 and may enforce the
15 collection order. Action under this section may be undertaken at the commission's
16 discretion if the borrower is in default under AS 14.43.145.

17 **Sec. 14.43.152. Initiation of administrative action to establish a collection**
18 **order; required notice.** (a) An action to establish a collection order authorized under
19 AS 14.43.151 is initiated by the commission's serving on the borrower a notice of
20 establishment of collection order. The notice shall be served by mailing the notice to
21 the borrower at

22 (1) the borrower's most recent address provided to the commission by
23 the borrower; or

24 (2) another address known to the commission.

25 (b) The notice served under (a) of this section must state

26 (1) the amount of the liability for default under AS 14.43.145 for
27 which the borrower is found to be responsible; the amount stated under this paragraph
28 shall include all principal, interest, and collection fees;

29 (2) that a lien may be recorded against the borrower's property as
30 authorized under AS 14.43.145(a)(5);

31 (3) that the borrower may appear at a hearing held by the commission

1 and show cause that a collection order should not be entered because, at the time of the
2 notice,

3 (A) no loan payment was more than 180 days past due or, for a
4 loan under AS 14.43.161 - 14.43.168 or 14.43.170 - 14.43.175, the default
5 requirements established by the commission had not yet been met; or

6 (B) the borrower had entered into, or was in compliance with,
7 an agreement to forbear default with the commission; and

8 (4) that, if the borrower served with the notice does not request a
9 hearing within 30 days after the date of mailing of the notice, a collection order will be
10 entered and the property of the borrower will be subject to a lien under AS 14.43.149
11 in the amount stated in the collection order without further notice or hearing.

12 **Sec. 14.43.153. Hearings in administrative action to establish a collection**
13 **order; burden of proof.** (a) A borrower served with a notice of establishment of
14 collection order under AS 14.43.152 is entitled to a hearing before the commission if
15 the request for a hearing is served on the commission by registered mail, return receipt
16 requested, within 30 days after the date the notice is mailed to the borrower.

17 (b) If a request for a hearing in accordance with (a) of this section is made, the
18 issuance of a collection order is automatically stayed pending the decision of the
19 hearing officer for the commission. If a request for a hearing is not made, the
20 collection order is final at the expiration of the 30-day period specified in (a) of this
21 section.

22 (c) A borrower claiming that the notice is incorrect has the burden at hearing
23 to document the existence of one of the conditions described in AS 14.43.152(b)(3)(A)
24 and (B).

25 (d) Within 60 days after the date of the hearing, the hearing officer shall enter
26 a decision determining whether default has occurred and, if default has occurred,
27 specifying the amount of the collection order and declaring that the property of the
28 borrower is subject to a lien under AS 14.43.149 in the amount of the collection order.

29 (e) If the borrower who requested the hearing fails to appear at the hearing, the
30 hearing officer shall enter a decision

31 (1) confirming that a default has occurred;

1 (2) confirming the amount of the collection order;

2 (3) declaring that the property of the borrower is subject to a lien under
3 AS 14.43.149 in the amount stated under (2) of this subsection.

4 (f) The decision of the hearing officer is a final decision that may be appealed
5 to the superior court under the Alaska Rules of Appellate Procedure.

6 **Sec. 14.43.154. Collection orders as judgments.** A collection order is
7 equivalent to a judgment and becomes vested

8 (1) at the expiration of the 30-day period described in AS 14.43.153(b)
9 if a hearing is not requested; or

10 (2) on the date the hearing officer enters a decision in favor of the
11 commission if a hearing was requested by the borrower.

12 **Sec. 14.43.155. Nature of remedies.** AS 14.43.154 provides a remedy in
13 addition to and not as a substitute for any other remedies available to the commission.

14 * **Sec. 10.** AS 14.43.161 is amended to read:

15 **Sec. 14.43.161. Purpose; creation.** There is established the AlaskAdvantage
16 [ALASKA ADVANTAGE] loan program to provide postsecondary educational
17 financial assistance through the federal guaranteed student loan program. The
18 AlaskAdvantage [ALASKA ADVANTAGE] loan program is the primary source for
19 financial aid to eligible borrowers under this chapter.

20 * **Sec. 11.** AS 14.43.166 is amended to read:

21 **Sec. 14.43.166. Repayment of loans.** A borrower's obligation to commence
22 repayment of the principal and interest on a loan under AS 14.43.161 - 14.43.166 and
23 14.43.168 [AS 14.43.161 - 14.43.168] begins six months after the borrower's
24 completion or other termination of the postsecondary education program. The
25 commission may accelerate the repayment of any loan made in error or in reliance
26 upon a false statement made by the borrower. The commission shall determine the
27 period over which loans are repaid; however, the maximum period of repayment of
28 loans may not exceed the maximum period permitted under applicable provisions of
29 the federal guaranteed student loan program.

30 * **Sec. 12.** AS 14.43.168(b) is amended to read:

31 (b) The provisions of AS 14.43.145 - 14.43.155 [AS 14.43.145 - 14.43.150]

1 apply to loans under AS 14.43.161 - 14.43.168 that are in default.

2 * **Sec. 13.** AS 14.43.170 is amended to read:

3 **Sec. 14.43.170. Creation; purpose.** There is created the Alaska supplemental
4 education loan program to provide postsecondary educational supplemental financial
5 assistance. Supplemental financial assistance is available only if the financial aid
6 available through the AlaskAdvantage [ALASKA ADVANTAGE] loan program is
7 insufficient to cover the costs of attendance at a postsecondary institution or if the
8 borrower does not qualify for financial aid under the federal guaranteed student loan
9 program. The commission shall make the public aware of the Alaska supplemental
10 education loan program to facilitate providing loans to as many eligible borrowers as
11 possible.

12 * **Sec. 14.** AS 14.43.171 is amended to read:

13 **Sec. 14.43.171. Applicability of other laws.** The provisions of
14 AS 14.43.120(d)(4), 14.43.122, 14.43.135, 14.43.140, 14.43.145 - 14.43.160,
15 14.43.164, 14.43.166. and 14.43.168 [AND 14.43.166 - 14.43.168] apply to the loans
16 made under AS 14.43.170 - 14.43.175 as if the loans were made under those
17 applicable provisions.

18 * **Sec. 15.** AS 14.43.172(c) is amended to read:

19 (c) In addition to the provisions of (a) of this section, a borrower is eligible for
20 a loan under AS 14.43.170 - 14.43.175 if the borrower

21 (1) is not delinquent in payment [ON AND HAS NEVER BEEN IN
22 DEFAULT] on a loan previously awarded by the commission;

23 (2) at the time of application or loan disbursement, does not have a
24 past due child support obligation established by court order or by the child support
25 enforcement division under AS 25.27.160 - 25.27.220;

26 (3) has not, within the previous five years, had a loan discharged or
27 written off by the commission for any reason;

28 (4) does not have a status, at the time of application for a loan or
29 disbursement of loan money, that would prevent the borrower from repaying the loan
30 as it becomes due;

31 (5) has not, within the previous five years, defaulted on another loan

1 made to the borrower by a lending entity unless the borrower can show good faith
2 efforts to repay the loan and extraordinary circumstances that led to the default;
3 [AND]

4 (6) does not have a credit history, at the time of application for a loan,
5 that demonstrates chronic inability or unwillingness to pay an extension of credit or
6 loan as it becomes due; and [.]

7 (7) has [AS] complied with the military selective service registration
8 requirements imposed under 50 U.S.C. App. 453 (Military Selective Service Act), if
9 those requirements were applicable to the person.

10 * Sec. 16. AS 14.43.172(d) is amended to read:

11 (d) The commission may not make a loan to a borrower who has been in
12 default on a loan previously awarded by the commission unless [IF

13 (1)] the previously awarded loan has been paid in full [; AND

14 (2) ANOTHER INDIVIDUAL WHO SATISFIES THE
15 REQUIREMENTS OF (c) OF THIS SECTION COSIGNS THE LOAN].

16 * Sec. 17. AS 14.43.300(a) is amended to read:

17 (a) An education loan to a recipient under AS 14.43.250(b)(1) - (4) or (6) may
18 not exceed \$2,500 a school year for an undergraduate student or \$5,000 a school year
19 for a graduate student [, EXCLUSIVE OF LOAN GUARANTEE FEES UNDER (g)
20 OF THIS SECTION,] and may not be made to a student for more than six years. An
21 education loan to a recipient under AS 14.43.250(b)(5) may not exceed the cost of
22 tuition and required fees, [LOAN GUARANTEE FEES UNDER (g) OF THIS
23 SECTION,] books and educational supplies, room and board, and transportation for
24 two round trips between the recipient's home and school each year. A loan under
25 AS 14.43.250(b)(5) may not be made for more than five years of undergraduate study,
26 five years of graduate study, or a combined maximum of eight years of study.

27 * Sec. 18. AS 14.43.400 is amended to read:

28 Sec. 14.43.400. Purpose; creation. There is created [ESTABLISHED] the
29 AlaskAdvantage education [ALASKA STATE EDUCATIONAL INCENTIVE]
30 grant program to provide financial assistance to eligible students to enable them to
31 attend, or continue their attendance at, postsecondary educational institutions. Funds

1 designated by the corporation or appropriated for this program may [SHALL] be
2 used as matching funds for the state's participation in the federal [STATE STUDENT
3 INCENTIVE] grant program under 20 U.S.C. 1070c - 1070c-4 [(P.L. 92-318; 20
4 U.S.C. 1070c - 1070c-3)].

5 * **Sec. 19.** AS 14.43.405(a) is repealed and reenacted to read:

6 (a) The AlaskAdvantage education grant program created under AS 14.43.400
7 - 14.43.420 shall be administered by the executive director of the commission.

8 * **Sec. 20.** AS 14.43 is amended by adding a new section to read:

9 **Sec. 14.43.406. Applicability of other laws.** (a) To the extent they are not in
10 conflict with the provisions of AS 14.43.400 - 14.43.420, the provisions of
11 AS 14.43.162(b), 14.43.910, and 14.43.920 apply to a grant made under AS 14.43.400
12 - 14.43.420.

13 (b) In determining a student's eligibility for a grant under AS 14.43.400 -
14 14.43.420, the executive director of the commission shall apply the standards
15 contained in the definitions of "full-time student," "half-time student," and "school
16 year" in AS 14.43.160 as if those provisions were applicable to application for the
17 grant.

18 * **Sec. 21.** AS 14.43.410 is amended to read:

19 **Sec. 14.43.410. Distribution of funds.** The funds [APPROPRIATED] for the
20 AlaskAdvantage education [EDUCATIONAL INCENTIVE] grant program may
21 [SHALL] be allocated to eligible students in accordance with the provisions of the
22 federal [STATE STUDENT INCENTIVE] grant program under 20 U.S.C. 1070c -
23 1070c-4 and regulations adopted under AS 14.43.105 and 14.43.405.

24 * **Sec. 22.** AS 14.43.410 is amended by adding a new subsection to read:

25 (b) The commission may set aside a portion of grant awards for otherwise
26 eligible applicants whose employment prevents them from attending school on a full-
27 time basis. The commission shall adopt regulations to carry out the purposes of this
28 subsection.

29 * **Sec. 23.** AS 14.43.415 is repealed and reenacted to read:

30 **Sec. 14.43.415. Eligibility; priority.** (a) For an applicant to be eligible for a
31 grant under AS 14.43.400 - 14.43.420, the applicant must be

- 1 (1) a resident of this state;
2 (2) enrolled or about to be enrolled
3 (A) at an institution approved to participate in federal financial
4 aid programs under 20 U.S.C. 1070 - 1099c-2, as amended, located in this
5 state; and
6 (B) on at least a half-time basis; and
7 (3) able to demonstrate financial need in accordance with standards for
8 determining financial need established by the commission under 20 U.S.C. 1070c-2, as
9 amended.

10 (b) The commission shall give an applicant eligible under (a) of this section
11 priority for a grant award if that applicant is, or is about to be, enrolled in a program of
12 study that is preparatory for employment in an occupation or profession for which the
13 Department of Labor and Workforce Development, or another workforce data source
14 selected as reliable by the commission, indicates there is a severe shortage of trained
15 individuals in this state. Additionally, the commission may give an applicant priority
16 for a grant award if that applicant has participated in a secondary education program
17 of study that can be demonstrated to the commission to be a predictor for success at
18 the postsecondary education level for a program of study described in this subsection.
19 For purposes of this subsection,

20 (1) "occupation or profession" means a job for which specific
21 postsecondary certification is a prerequisite for entry-level placement;

22 (2) "severe shortage" means a current or recurring job vacancy rate of
23 15 percent or greater, as determined by the Department of Labor and Workforce
24 Development or by another workforce data source determined reliable by the
25 commission.

26 (c) The commission shall adopt regulations to establish a prioritization process
27 for awarding grants under AS 14.43.400 - 14.43.420.

28 * Sec. 24. AS 14.43.420(a) is amended to read:

29 (a) A grant made under AS 14.43.400 - 14.43.420 [AS 14.43.400 - 14.43.500]
30 may not be in an amount less than \$500 [\$100] nor more than \$2,000 [\$1,500] for
31 each school [ACADEMIC] year.

1 * **Sec. 25.** AS 14.43.420 is amended by adding a new subsection to read:

2 (c) A student may receive not more than a total of \$8,000 in grants awarded
3 under AS 14.43.400 - 14.43.420.

4 * **Sec. 26.** AS 14.43.740(a) is amended to read:

5 (a) The provisions of AS 14.43.100, 14.43.120(a) - (c), (m), and (r) - (u),
6 14.43.122 [14.43.110, 14.43.120(a) - (d), (m), AND (r) - (u)], 14.43.135, 14.43.145 -
7 14.43.155 [14.43.145 - 14.43.150], and 14.43.910 - 14.43.990 apply to a loan made
8 under AS 14.43.710 - 14.43.750.

9 * **Sec. 27.** AS 14.43.740 is amended by adding a new subsection to read:

10 (g) The commission may, by regulation, set loan limits for loans made under
11 AS 14.43.710 - 14.43.750.

12 * **Sec. 28.** AS 14.43.990 is amended by adding new paragraphs to read:

13 (5) "AlaskAdvantage" means the service mark registered by the
14 commission under 15 U.S.C. 1051 (Trademark Act) that is used to describe financial
15 aid and higher education outreach programs and services provided by the commission;

16 (6) "education loan" means a loan made to finance the cost of
17 attendance in a postsecondary education program that is made by the commission or is
18 a loan received through the federal guaranteed student loan program.

19 * **Sec. 29.** AS 14.44.040(c) is amended to read:

20 (c) If a program participant defaults on the repayment obligation, the
21 provisions of AS 14.43.145 - 14.43.155 [AS 14.43.145 - 14.43.150] apply to collect
22 on the obligation as if it were a defaulted loan under AS 14.43.

23 * **Sec. 30.** AS 36.30.850(b) is amended by adding a new paragraph to read:

24 (44) contracts of the Alaska Commission on Postsecondary Education
25 or the Alaska Student Loan Corporation for the guarantee and disbursing of financial
26 aid money to institutions of postsecondary education under the financial aid programs
27 under AS 14.43.091 - 14.43.750 and AS 14.44.025.

28 * **Sec. 31.** AS 14.42.110, 14.42.220(f); AS 14.43.122(b), 14.43.300(g), 14.43.405(b),
29 14.43.420(b), and 14.43.500 are repealed.

30 * **Sec. 32.** The uncodified law of the State of Alaska is amended by adding a new section to
31 read:

1 TRANSITION: REGULATIONS. The Alaska Student Loan Corporation may
2 proceed to adopt regulations to implement the changes made by sec. 6 of this Act. The
3 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the
4 effective date of sec. 6 of this Act.

5 * **Sec. 33.** The uncodified law of the State of Alaska is amended by adding a new section to
6 read:

7 REVISOR OF STATUTES INSTRUCTIONS. (a) The revisor of statutes is
8 instructed to change the heading of Article 5 of AS 14.43 from "Article 5. Alaska Advantage
9 Loan Program " to "Article 5. AlaskAdvantage Loan Program."

10 (b) The revisor of statutes is instructed to change the heading of Article 8 of AS 14.43
11 from "Article 8. Educational Incentive Grant Program." to "Article 8. AlaskAdvantage
12 Education Grant Program."

13 * **Sec. 34.** The uncodified law of the State of Alaska is amended by adding a new section to
14 read:

15 REGULATIONS ATTORNEY INSTRUCTIONS. Wherever in the Alaska
16 Administrative Code the term "Alaska advantage" is used, it shall be read as
17 "AlaskAdvantage" when to do so would be consistent with the changes in this Act. Under
18 AS 44.62.125(b)(6), the regulations attorney is instructed to make changes in the Alaska
19 Administrative Code consistent with this section.

20 * **Sec. 35.** Section 6 of this Act takes effect January 1, 2005.

21 * **Sec. 36.** Except as provided in sec. 35 of this Act, this Act takes effect immediately under
22 AS 01.10.070(c).



Alaska State Senate

Senate Finance Committee

Official Business

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

FAX COVER SHEET

DATE: 22 March 2004 TIME: 9:50 am

TO: Legal

NUMBER OF PAGES, INCLUDING COVER SHEET: 1

FROM: MINDY ROWLAND
SENATE FINANCE COMMITTEE SECRETARY
PHONE: 465-4935
FAX: 465-2187

NOTES: Final Please

CS SB 277 (FIN) 23-GS2003 \ Q
Cook 3/17/04

no changes - Tax
Mindy

ALASKA COMMISSION ON POSTSECONDARY EDUCATION
SECTIONAL ANALYSIS
SB 277(FIN) (3/19/04)

BILL SECTION	AK STATUTE SECTION TITLE	PAGE	LINE	PURPOSE OF SECTION	TYPE OF CHANGE
1	ACPE authorized functions. 14.42.030(e)	1-3	7-1	Adds authority to establish and enforce collection orders on defaulted loans and provide for borrower appeals of collection orders.	Amended Language
2	Education loan fund. 14.42.210(a)	3	2-9	Conforming change to add revised grant program.	Amended Language
3	14.42.210(b)	3	10-19	Conforming change; by reference, specifically authorizes grant program funding.	Amended Language
4	Bonds of the corporation. 14.42.220(a)	3	20-31	Expand the use of bond proceeds to pay costs of state projects.	Amended Language
5	Bonds of the corporation. 14.43.220(g)	4	1-3	Places a cap on the aggregate amount of bonds the corporation may issue to finance state capital projects.	New Language
6	Conditions of loans. 14.43.120(u)	4	4-14	Makes determination of an origination fee a corporation function and automatically places fees into the education loan fund of the corporation.	Amended Language
7	Consolidation of loans. 14.43.122(a)	4	15-23	Increases flexibility for offering loan consolidation options.	Amended Language
8	Default. 14.43.145 (a)	4-5	24-8	Provides authority to establish a collection order as a means of recovering on defaulted loans.	Amended Language
9	Authority and procedure to administratively establish and enforce a collection order. 14.43.151	5	9-16	Describes administrative process for establishing a lien through a collection order.	New Language
	Initiation of administrative action to establish a collection order; required notice. 14.43.152	5-6	17-11	Steps for establishing collection order; notice to borrower.	

Prepared by Diane Barrans, ACPE

BILL SECTION	AK STATUTE SECTION TITLE	PAGE	LINE	PURPOSE OF SECTION	TYPE OF CHANGE
	Hearings in administrative action to establish a collection order; burden of proof. 14.43.153	6-7	12-5	Provides due process for borrower to contest establishment of collection order through administrative hearing.	
	Collection order as judgments. Sec. 14.43.154	7	6-11	Provides that collection order is equivalent to judgment.	New Language.
	Nature of remedies. 14.43.155	7	12-13	Provides that collection order is an alternate remedy to commission.	New Language
10	Purpose; creation. 14.43.161	7	14-19	Conforming change of trademark name.	Amended Language.
11	Repayment of loans. 14.43.166	7	20-29	Requires immediate repayment of consolidation loans.	Amended Language.
12	Default. 14.43.168(b)	7-8	30-1	Conforming change to incorporate new administrative collection order authority.	Amended Language.
13	Creation, purpose. 14.43.170	8	2-11	Conforming change of trademark name.	Amended Language
14	Applicability of other laws. 14.43.171	8	12-17	Changes applicable cite to allow for consolidation of supplemental education loans.	Amended Language
15	Eligibility. 14.43.172(c)	8-9	18-9	Revised so borrower that has fully repaid a defaulted loan may be eligible for new loan without a cosigner.	Amended Language
16	Eligibility. 14.43.172(d)	9	10-15		
17	Limits and conditions of loans. 14.43.300(a)	9	16-26	Eliminates reference to guarantee fees on memorial scholarship loans	Amended Language
18	Purpose: creation. 14.43.400	9-10	27-4	Revised to rename and describe grant program.	Amended Language
19	Administration. 14.43.405(a)	10	5-7	Conforming change of name of grant program to be administered as provided in 14.42.030.	Amended Language
20	Applicability of other laws. 14.43.406	10	9-17	Conforms by incorporating reference to other aid programs, grant program residency requirement, confidentiality of financial need information, repayment for an ineligible recipient, and definitions.	New Language

BILL SECTION	AK STATUTE SECTION TITLE	PAGE	LINE	PURPOSE OF SECTION	TYPE OF CHANGE
21	Distribution of funds. 14.43.410	10	18-23	Conforming change of name of grant program.	Amended Language
22	4.43.410(b)	10	24-28	Revised to permit grants for half-time study.	New Language
23	Eligibility; priority. 14.43.415	10-11	29-27	Revised to require in-state attendance. Requires prioritization of eligible programs of study based on state workforce needs.	Amended Language
24	Limitation on grants. 14.43.420(a)	11	28-31	Revises minimum and maximum grant amounts.	Amended Language
25	14.43.420(c)	12	1-3	Sets maximum grant dollars per recipient.	New Language
26	Loan terms and conditions. 14.43.740(a)	12	4-8	Removes student-specific loan maximum; permits loan consolidation and administrative collection from liens.	Amended Language
27	14.43.740(g)	12	9-11	Permits commission to set loan limits by regulation.	New Language
28	Definition. 14.43.990	12	12-18	Provide definition for AlaskAdvantage, the agency's service mark registered under the Trademark Act.	New Language.
29	Repayment condition for program participants. 14.44.040(c)	12	19-22	Conforming change to include new authority for collection order for defaulted WICHE PSEP loans.	Amended Language
30	Application of this chapter. General Provisions to state procurement code. 36.30.850(b)	12	23-27	Excludes contracts for electronic services entered into by the Commission and Corporation for financial aid administration.	Amended Language

BILL SECTION	AK STATUTE SECTION TITLE	PAGE	LINE	PURPOSE OF SECTION	TYPE OF CHANGE
31	Repealer section.	12	28-29	<p>Repeal AS 14.42.110. Purpose of corporation.</p> <p>Repeal AS 14.42.220(f), limits aggregate amount of bonds that can be issued in two consecutive years other than through legislation.</p> <p>Repeal 14.43.122(b). Limits consolidated loan interest rate to be weighted average of the interest rates on loans being consolidated.</p> <p>Repeal 14.43.300(g). ACPE authority to set loan origination fee on memorial education loans. Duplicate language of 14.43.120(u) incorporated by reference.</p> <p>Repeal 14.43.405(b). Student aid provisions applicable to the grant program. Replaced in Sec. 18.</p> <p>Repeal 14.43.420(b). Allows grant to be used at accredited postsecondary educational institution, already stated in eligibility section 14.43.415. See Sec. 20.</p> <p>Repeal 14.43.500 Defines resident. Replaced in Sec. 18 by incorporating residency requirement of 14.43.162. Defines undergraduate. Term not used in remaining text.</p>	Amending Language.
32	Transition language.	12-13	30-4	Authorization to promulgate regulations.	
33	Instructions to Revisor	13	5-12	Conforming changes to titles in Articles 5 and 8.	
34	Instructions to Regulations Attorney	13	13-19	Instructions to make conforming changes to insert "AlaskAdvantage" in regulations.	

BILL SECTION	AK STATUTE SECTION TITLE	PAGE	LINE	PURPOSE OF SECTION	TYPE OF CHANGE
35	Effective date section.	13	20	Providing for Sec. 6 to be effective January 1, 2005.	
36	Effective date section.	13	21-22	Providing for, except as stated in Sec. 35, this Act to have an immediate effective date.	

SENATE FINANCE COMMITTEE REPORT

DATE: 2/11/04

FURTHER:

FEB 19 2004

DATE TURNED IN TO OFFICE: 2/19/04

Finance Committee considered

SENATE BILL NO. 277

SB 277 STUDENT LOAN PROGRAMS

"An Act relating to the Alaska Commission on Postsecondary Education; relating to the Alaska Student Loan Corporation; relating to bonds of the corporation; relating to loan and grant programs of the commission; relating to an exemption from the State Procurement Code regarding certain contracts of the commission or corporation; making conforming changes; and providing for an effective date."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS SB 277 (HES)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:
 Same Title
 New Title

House Bill:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Zero	Indet.	FN#
Education	2/12/04	120.0			

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
DC ED	12/12/03			✓	2
ADMIN	12/15/03			✓	1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>	✓			
<i>[Signature]</i>				✓
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			
COCHAIR: <i>[Signature]</i>	✓			

FISCAL NOTE

FEB 19 2004

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: SB 277
(S) Publish Date: 1/23/2004

Revision Date/Time (corrected): 12/12/03 12:42pm

Dept. Affected: Administration

Title An act relating to the Alaska Commission on Postsecondary

RDU Centralized Administrative Services

Education:... relating to an exemption from the State Procurement Code...

Component Purchasing

Sponsor Rules

Requester Governor

Component No. 60

Expenditures/Revenues

(Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

FUND SOURCE	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

POSITIONS	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The bill would exempt Alaska Commission on Postsecondary Education contracts for guaranteeing and disbursing financial aid money to institutions of postsecondary education from the State Procurement Code (AS 36.30).

Bill has no fiscal impact.

Prepared by: Vern Jones, Chief Procurment Officer

Phone (907)465-5684

Division General Services

Date/Time 12/15/03 10:00 AM

Approved by: Mike Miller, Commissioner

Date 12/15/2003

Agency Administration

FISCAL NOTE

RECEIVED
FEB 19 2004

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: SB 277
(S) Publish Date: 1/23/04

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
Title ASLC Return Funds to State RDU Investments (122)
Component Investments
Sponsor Rules
Requester By Request of the Governor Component No. 383

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation has no fiscal impact on the operations of the division.

Prepared by: Greg Winegar, Director Phone (907) 465-2510
Division Investments Date/Time 12/12/03 4:22 PM
Approved by: Edgar Blatchford, Commissioner Date 12/12/2003
Agency Department of Community & Economic Development

FISCAL NOTE

RECEIVED
FEB 19 2004

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SB277CS(HES)-EED-ACPE-2-12-04
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Education
Title An Act relating to ACPE; relating to ASLC; relating to bonds of the corporation; relating to loan and grant programs... RDU ACPE
Component Program Administration & Operations
Sponsor Rules Committee
Requester (S) FIN Component No. 2738

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	120.0	120.0	120.0	120.0	120.0	120.0
Miscellaneous						
TOTAL OPERATING	120.0	120.0	120.0	120.0	120.0	120.0
CAPITAL EXPENDITURES	85.0					
CHANGE IN REVENUES (bond proceeds)	75,000.0	*	*			

FUND SOURCE (Thousands of Dollars)

FUND SOURCE	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
1002 Federal Receipts	120.0	120.0	120.0	120.0	120.0	120.0
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
TOTAL	120.0	120.0	120.0	120.0	120.0	120.0

Estimate of any current year (FY2004) cost: 0.0
Check this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

POSITIONS	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would allow the Alaska Student Loan Corporation (ASLC) to issue bonds and use the proceeds for purposes other than the sole funding of financial aid programs currently authorized in law. This creates a mechanism for the ASLC to return money, not otherwise required to fund core agency programs, to the state through financing of state capital projects. As of this date, the ASLC anticipates utilizing this mechanism to return approximately \$260.0 million to the state over a three-year period beginning in FY2005. *Amounts for FY06 and FY07 will be determined next year.

This bill also would create an administrative collection order to be used for establishing a lien on property belonging to a borrower who has defaulted on an education loan.

This bill also amends the state's needs-based grant program so that grants may only be awarded to

Prepared by: Sheila King, Financial Officer Phone 465-6757
Division Finance Date/Time 2/12/04 12:22 PM
Approved by: Diane Barrans, Executive Director *Diane Barrans* Date 2/12/2004
Agency Alaska Commission on Postsecondary Education

FISCAL NOTE

**STATE OF ALASKA
2004 LEGISLATIVE SESSION**

BILL NO. SB277CS(HES)-EED-ACPE-2-12-04

ANALYSIS CONTINUATION

students attending qualified education programs in Alaska and authorizes the Alaska Commission on Postsecondary Education to give preference to students enrolled in programs of study required for entry into Alaska's labor shortage areas. This bill authorizes the ASLC to fund this financial aid program from corporate receipts, as they may be available, and to use those corporation funds to leverage an additional \$120,000 in federal matching dollars. The ASLC currently anticipates funding up to approximately \$600,000 in grants per year beginning in FY2005.

The \$85,000 capital budget request is to procure a web-based, grant management software tool to insure the grant application, eligibility certification, and awarding process is highly automated and requires minimal staffing resources on the part of the Commission and participating Alaska postsecondary institutions. The capital request is for the expenditure of corporation receipts, fund source 1106.

STATE OF ALASKA

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

FRANK H. MURKOWSKI, GOVERNOR

3030 VINTAGE BLVD.
JUNEAU, ALASKA 99801-7109
VOICE (800) 441-2962
In Juneau (907) 465-6740
TDD (907) 465-3143
FAX (907) 465-3293

February 12, 2004

The Honorable Gary Wilken
Co-Chair
Finance Committee
Alaska State Senate
State Capitol, Room 518
Juneau, Alaska 99801

Dear Senator Wilken

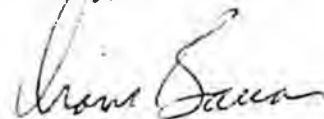
I am writing to formally request that CSSB277 (HES), an act relating to the Alaska Commission on Postsecondary Education and the Alaska Student Loan Corporation, be scheduled for a hearing in your committee.

The objectives of CSSB277 (HES) are to:

1. Broaden the scope of the Corporation's bonding authority;
2. Reconstitute the State student grant program to focus on Alaska's workforce needs;
3. Provide loan borrowers with better loan consolidation options;
4. Clarify the Commission's ability to administratively issue liens in the collection of defaulted education loans; and
5. Provide certain exemption from the State Procurement Code for services related to guaranteeing and disbursing loans.

Thank you in advance for your consideration of this request. Attached are the Governor's transmittal letter, a current version of the bill, and a sectional analysis.

Sincerely,



Diane Barrans
Executive Director

DB/dm

Attachments

Alaska Student Loan Corporation Return of Contributed Assets to State

Diane Barrans, Executive Officer/Director
Alaska Student Loan Corporation
Alaska Commission on Postsecondary Education

Pursuant to the Murkowski administration's explicit expectation that each state governmental unit was to scrutinize its structure and processes to insure operational efficiency and effectiveness, the management team for the Alaska Commission on Postsecondary Education (commission or ACPE) and the Alaska Student Loan Corporation (corporation or ASLC) engaged in that process. In 2003, ASLC board members and management, in consultation with financial advisors, proposed a mechanism through which the state could 1) continue to effectively administer ACPE/ASLC financial aid programs; and 2) optimize the use of its financial assets.

Based on current projections of program growth and related expenses, ASLC management anticipates that over a three-year period, beginning in 2004, it will be able to return approximately \$240-\$250 million to the State. We anticipate that various methods may be used to insure the return is achieved with minimal related expense. The method for 2004 has been determined and the corporation is in the process of implementing this as Phase I.

Simply put, in Phase I, ASLC will convert future cash flow that is not needed for effective and efficient operation of corporation programs and mission-directed activities, into cash today by issuing bonds. The cash will then be made available to the State to fund State capital needs. The following discussion focuses on the Phase I financing plan, as well as ASLC's historical and current contexts, which may be helpful in better understanding how this option is feasible at this time.

Phase 1 Financing Method

In early 2004, the corporation intends to issue tax exempt bonds in an amount sufficient to support a \$75 million return of assets to the State. The financing, composed of Capital Project Revenue Bonds, will be issued under a closed, single-issue indenture. The corporation will pledge its consolidation loan portfolio to the indenture as collateral or "security." These loans are of relatively high credit quality with repayment terms of up to fifteen years in length. The repayment stream from those existing assets will be used to pay the principal and interest on the 2004 Capital Project Revenue bonds.

Corporation History

The corporation was created in 1988 and began issuing bonds as a primary funding source for its programs under a master trust indenture (1988 Indenture). At that time, there were no real meaningful performance data for the commission as a servicing agency, or for the loan portfolio (valued at \$260 million) which the State had transferred to the corporation to capitalize its start up. The corporation was a brand-new, untested issuer. Therefore, the corporation's master trust indenture (the

contract under which bonds could be issued, loans made and serviced, etc.), contained a number of extremely conservative and restrictive terms. Bonds were issued under the 1988 Indenture through 2001. For the purpose of protecting the interests of the bondholders and the bonds' insurer, the indenture terms were subsequently proven to be appropriate and prudent as the corporation experienced a number of years of operating with annual losses. The end result was an equity deficit that eventually totaled \$50 million.

In 1994, program managers initiated an effort to curtail and reverse the negative financial trend. Without action, within the next three years it was likely the loan programs would have been severely curtailed or ended altogether. The erosion of assets through annual losses was rapidly pushing the corporation to the point where income would have been insufficient to comply with the indenture's debt coverage requirements, and no additional debt could be issued to finance new loans. Commission managers asked the legislature for the tools and managerial flexibility to operate as an enterprise agency of the State. Authorized changes to the programs included tying interest costs to the actual cost of funds, limiting interest-free borrowing periods, implementing credit reviews to identify applicants with poor credit records, and expanded use of authorized collection levers.

By the late '90s, as a result of these changes, the corporation and its servicing partner, ACPE, began experiencing a gradual, positive change in the agency's financial position. In 1999, performance and finances had improved so markedly, both Moody's and Standard and Poor's raised the credit ratings on the outstanding bonds in the 1988 Indenture from A/A to Aa2/AA. That year, reinforcing its operational identity as an enterprise agency of the State, the corporation's management priorities included providing an annual return to the State on the more than \$300 million in loans and cash it had given to the corporation. In 2000, at the corporation's behest, the legislature passed a bill that set out the terms under which ASLC would annually return to the State a portion of its net income.

To date, the corporation has met this objective, while also maintaining financial stability and meeting its mission to provide postsecondary education access for Alaskans. As of FY2004, the corporation has returned \$16.45 million to the State.

Recent Management Enhancements

In 2002, the corporation implemented a plan to increase its options for leveraging ASLC assets by creating a new master trust indenture (2002 Indenture). At this juncture, the corporation was a recognized issuer with a strong track record in the bond market and had shown positive financial growth for six consecutive years, as shown by its financial statements. As a result, the limitations appropriate and reasonable within the 1988 Indenture (particularly the very conservative debt coverage requirement that trust cash flows document no less than 150% of annual debt service on outstanding bonds) were no longer necessary. Instead, under the 2002 Indenture, with respect to bonds issued within the new trust, the corporation is subject solely to a rating confirmation test.

Over the last two years, the 2002 Indenture has effectively replaced the 1988 Indenture, eliminating the need to issue bonds under the original master indenture. The 2002 Indenture has been the source of funding for AlaskAdvantage™ Loans. Relative to this discussion was the corporation's ability to finance more than \$75 million in consolidation loans in 2003. The underlying loans (from the state's legacy program, Alaska Student Loans) were purchased from the 1988 Indenture through the consolidation process. Due to the structure of the 2002 Trust, the corporation was able to satisfy all requirements of that trust without including the consolidation loans. Therefore, these assets can be used to securitize the Capital Project Revenue Bonds.

Timeline and Market Conditions

With the 2002 Indenture in place and the debt in the 1988 Indenture declining, management proposed the following to the ASLC Board to insure the State's maximal use of assets:

- 1) The corporation issues government obligation bonds under a closed 2004 Indenture to return approximately \$75 million to the State. These bonds will be issued at fixed rates with an expected final maturity of 13 years.
- 2) Subsequently, in 2005 and 2006, the corporation will determine its capacity to return up to a total of \$260 million to the State (inclusive of the 2004 issue). In the event the corporation uses a bonding mechanism to do so, these bonds would be repaid and secured with cash flows from appropriate corporation assets. It is to provide for this option that specific changes to the corporation's statutes will be needed.

The time to act is now as current market conditions include an extremely attractive rate environment for issuers. The issuance of government obligations in the manner described above may also provide the corporation with some refunding options in future years when volume cap may be tight for the State.

AlaskAdvantage™ Programs Held Harmless

The corporation has no need to rely on the assets being pledged to the Capital Project Revenue Bonds and is prepared and able to fully meet future loan demand through its normal annual issuance of bonds under the 2002 Indenture.

Additionally, a Board priority since 1999, the corporation has actively identified ways to lower costs for existing customers who borrowed loans in years when rates were substantially higher than today. Since 2001, an annual rebate has been applied to all outstanding loans with rates of up to 9%, which has the effect of capping interest rates at 8.3%. Across all benefit types, since FY2002, the corporation has provided approximately \$4.5 million in borrower benefits. More significantly, through the ASL Consolidation option in 2003, qualifying borrowers were able to lower their interest

rates by as much or more¹ than 3%. Program managers plan to make consolidation available on an ongoing basis beginning in July 2004, and it will continue to be the primary means through which former borrowers may reduce their financing costs.

Estimated Effect on ASLC Dividend

The corporation expects to continue to operate with modest but stable annual earnings, with a portion of those earnings available as its annual dividend to the State. Under the current dividend formula, absent use of the bonding mechanism described above for the stated purpose, the corporation could expect to return to the State approximately \$700,000 per year more over the period that the consolidation loans will be repaid. While not an inconsiderable amount of money, the availability of these small amounts greatly limits the State's options for asset reinvestment.

Summary

The corporation intends to continue to offer cost saving options to borrowers through its annual package of borrower benefits. Prior to developing this return of assets plan, program managers exercised due diligence, working with the corporation's financial advisors on the feasibility of such a return to the State. Cash flow models were developed to insure the corporation has, *and will continue to have*, the financial capacity to discount loan interest rates and deliver outstanding borrower benefits to our primary customers—Alaska students and the families assisting them. Only after reserving for those ongoing expenses was the issue of capacity for a return of assets to the State (and in what amount) examined.

The corporation has no intention to or interest in abrogating its primary organizational role or to put at risk its mission—to support, promote, and provide access to postsecondary education for Alaskans. The objective of this plan is to continue to serve that mission, but to do so in a way that permits ASLC to serve broader State interests through the efficient allocation of financial resources. As a true enterprise agency of the State, it is both reasonable and appropriate that ASLC assets be managed in ways that permit benefit not only under the agency's organizational mission and purpose, but also deliver broader purpose benefits to the State.

¹ Underlying loans being consolidated carry interest rates of 7.8% -- 9%. The base interest rate on the 2003 consolidation loan is 5.8%. The application of borrower benefits to qualifying individuals' loans results in rate reductions of .25% to 2.25%.

2/17/04 Testimony before (S) FIN Committee re: CSSB 277

Co-chair Wilken, Co-chair Green, committee members, my name is Diane Barrans and I am the executive director of the Alaska Commission on Postsecondary Education as well as the executive officer of the Alaska Student Loan Corporation. Thank you for hearing the legislation before you today.

Appearing with me today are Sheila King, commission and corporation finance officer and by teleconference, Ken Vassar, Wolforth, Vassar, Johnson, and Brecht.

Over the past decade I have appeared before you several times seeking your support for agency initiatives.

First, the Commission asked to be given the tools and administrative latitude to modify our processes so that we could operate as a self-sustaining enterprise agency of the state. The next step was putting in place a mechanism for the corporation to begin paying to the state some portion of its annual net income, as a return on the state's original investment in the corporation.

Most recently, in 2001, our organization requested your approval to redefine its role—becoming Alaska's full service financial aid assistance and postsecondary education planning agency.

On each of these occasions, you and your fellow legislators consistently exhibited strong, bipartisan support for the mission of this agency, to promote postsecondary participation and success by Alaskans, and you unanimously passed this series of bills.

I am extremely pleased to sit before you today and commend for your approval CSSB 277. The commission and corporation, having successfully implemented the AlaskAdvantage suite of programs and services for Alaskans, now seek your support for the next step of our organizational growth.

The objectives of Senate Bill 277 which are five-fold:

- 1) To broaden the scope of the Corporation's bonding authority to include the ability to bond for the general benefit of the state. To contribute to statewide efforts to use state assets as efficiently as possible, the corporation has developed a plan to return a substantial portion of the capital the state original gave the corporation. The change in corporation statute is requested to insure that, as ASLC has capacity to return contributed capital back to the state, it will have a variety of means to do so and will be able to select the most beneficial way of doing so;
- 2) To reconstitute the state student grant program to better focus on Alaska's workforce needs and to enhance the Commission's current outreach and early awareness initiatives; our proposal redesigns the grant program to clearly have an Alaska-centered focus.
- 3) To provide the Commission with greater flexibility in offering loan consolidation options to borrowers. Current statutes limit the way in which the Commission can offer consolidation and certain customers, who have borrowed from both the discontinued loan program and the AlaskAdvantage loans, cannot currently be served through consolidation;
- 4) At the recommendation of the Department of Law, this bill will clarify the Commission's ability to administratively issue liens in the collection of defaulted education loans and set out the due process for appealing such an action by the Commission; and
- 5) Lastly, to provide an exemption from the State Procurement Code for certain services related to guaranteeing and disbursing education loans. Under the current business structure for education loans, a lender must be prepared to conduct business with the guarantors and disbursing agents preferred by the schools participating in the loan programs.

In the sectional analysis in your bill packet these changes, as well as several minor or conforming changes are identified. I would be happy to respond to specific questions or provide a walk through of the bill, section by section.

ALASKA COMMISSION ON POSTSECONDARY EDUCATION
SECTIONAL ANALYSIS
CSSB277 (HES) (2/12/04)

BILL SECTION	AK STATUTE SECTION TITLE	PAGE	LINE	PURPOSE OF SECTION	TYPE OF CHANGE
1	ACPE authorized functions. 14.42.030(c)	1-3	7-1	Adds authority to establish and enforce collection orders on defaulted loans and provide for borrower appeals of collection orders.	Amended Language
2	Education loan fund. 14.42.210(a)	3	2-9	Conforming change to add revised grant program.	Amended Language
3	14.42.210(b)	3	10-19	Conforming change; by reference, specifically authorizes grant program funding.	Amended Language
4	Bonds of the corporation. 14.43.220(a)	3	20-31	Expand the use of bond proceeds to pay costs of state projects.	Amended Language
5	Bonds of the corporation. 14.43.220(g)	4	1-3	Places an aggregate cap on the amount of bonds the corporation may issue to finance projects of the state.	New Language
6	Conditions of loans. 14.43.120(u)	4	4-14	Makes determination of an origination fee a corporation function and automatically places fees into the education loan fund of the corporation.	Amended Language
7	Consolidation of loans. 14.43.122(a)	4	15-23	Increases flexibility for offering loan consolidation options.	Amended Language
8	Default. 14.43.145 (a)	4-5	24-8	Provides authority to establish a collection order as a means of recovering on defaulted loans.	Amended Language
9	Authority and procedure to administratively establish and enforce a collection order. 14.43.151	5	9-17	Describes administrative process for establishing a lien through a collection order.	New Language
	Initiation of administrative action to establish a collection order; required notice. 14.43.152	5-6	18-12	Steps for establishing collection order; notice to borrower.	
	Hearings in administrative action to establish a collection order; burden of proof. 14.43.153	6-7	13-6	Provides due process for borrower to contest establishment of collection order through administrative hearing.	

BILL SECTION	AK STATUTE SECTION TITLE	PAGE	LINE	PURPOSE OF SECTION	TYPE OF CHANGE
	Collection order as judgments. Sec. 14.43.154	7	7-12	Provides that collection order is equivalent to judgment.	New Language.
	Nature of remedies. 14.43.155	7	13-14	Provides that collection order is an alternate remedy to commission.	New Language
10	Purpose; creation. 14.43.161	7	15-20	Conforming change of trademark name.	Amended Language.
11	Repayment of loans. 14.43.166	7	21-30	Requires immediate repayment of consolidation loans.	Amended Language.
12	Default. 14.43.168(b)	7-8	31-2	Conforming change to incorporate new administrative collection order authority.	Amended Language
13	Creation, purpose. 14.43.170	8	3-12	Conforming change of trademark name.	Amended Language
14	Applicability of other laws. 14.43.171	8	13-18	Changes applicable cite to allow for consolidation of supplemental education loans.	Amended Language
15	Eligibility. 14.43.172(c)	8-9	19-10	Revised so borrower that has fully repaid a defaulted loan may be eligible for new loan without a cosigner.	Amended Language
16	Eligibility. 14.43.172(d)	9	11-16		
17	Limits and conditions of loans. 14.43.300(a)	9	17-27	Clean up amendment. Guarantee fees eliminated in prior legislation. Origination fee currently charged.	Amending Language
18	Purpose: creation. 14.43.400	9-10	28-5	Revised to rename and describe grant program.	Amended Language
19	Administration. 14.43.405(a)	10	6-8	Conforming change of name of grant program to be administered as provided in 14.42.030.	Amended Language
20	Applicability of other laws. 14.43.406	10	9-18	Conforms by incorporating reference to other aid programs, grant program residency requirement, confidentiality of financial need information, repayment for an ineligible recipient, and definitions.	New Language
21	Distribution of funds. 14.43.410	10	19-24	Conforming change of name of grant program.	Amended Language

BILL SECTION	AK STATUTE SECTION TITLE	PAGE	LINE	PURPOSE OF SECTION	TYPE OF CHANGE
22	4.43.410(b)	10	25-29	Revised to permit grants for half-time study.	New Language
23	Eligibility; priority. 14.43.415	10-11	30-28	Revised to require in-state attendance. Requires prioritization of eligible programs of study based on state workforce needs.	Amended Language
24	Limitation on grants. 14.43.420(a)	11-12	29-1	Revises minimum and maximum grant amounts.	Amended Language
25	14.43.420(c)	12	2-4	Sets maximum grant dollars per recipient.	New Language
26	Loan terms and conditions. 14.43.740(a)	12	5-9	Removes student-specific loan maximum; permits loan consolidation and administrative collection from liens.	Amended Language
27	14.43.740(g)	12	14-16	Permits commission to set loan limits by regulation.	New Language
28	Definition. 14.43.990	12	17-23	Provide definition for AlaskAdvantage, the agency's service mark registered under the Trademark Act.	New Language.
29	Repayment condition for program participants. 14.44.040(c)	12	24-27	Conforming change to include new authority for collection order for defaulted WICHE PSEP loans.	Amended Language
30	Application of this chapter. General Provisions to state procurement code. 36.30.850(b)	12-13	28-1	Excludes contracts for electronic services entered into by the Commission and Corporation for financial aid administration.	Amended Language
31	Repealer section	13	2-3	Repeal AS 14.42.110. Purpose of corporation. Repeal AS 14.42.220(f). Limits aggregate amount of bonds that can be issued in two consecutive years other than through legislation. Repeal 14.43.122(b). Limits consolidated loan interest rate to be weighted average of the interest rates on loans being consolidated.	Amending Language.

BILL SECTION	AK STATUTE SECTION TITLE	PAGE	LINE	PURPOSE OF SECTION	TYPE OF CHANGE
31	Repealer section	13	2-3	<p>Repeal AS 14.43.145(b). Notification of default and consequences to borrower. Replaced in Sec. 8.</p> <p>Repeal 14.43.145(c). Appeal process for borrower of notice of default. Replaced in Sec. 8</p> <p>Repeal 14.43.300(g). ACPE authority to set loan origination fee on memorial education loans. Duplicate language of 14.43.120(u) incorporated by reference.</p> <p>Repeal 14.43.405(b). Student aid provisions applicable to the grant program. Replaced in Sec. 18.</p> <p>Repeal 14.43.420(b). Allows grant to be used at accredited postsecondary educational institution, already stated in eligibility section 14.43.415. See Sec. 20.</p> <p>Repeal 14.43.500(1) Defines resident. Replaced in Sec. 18 by incorporating residency requirement of 14.43.162.</p> <p>Repeal 14.43.500(2) Defines undergraduate. Term not used in remaining text.</p>	Amending Language.
32	Transition language.	13	4-9	Authorization to promulgate regulations.	
33	Instructions to Revisor	13	10-17	Conforming changes to titles in Articles 5 and 8.	
34	Instructions to Regulations Attorney	13	18-24	Instructions to make conforming changes to insert "AlaskAdvantage" in regulations	
35	Effective date section.	13	25	Providing for Sec. 6 to be effective January 1, 2005.	
36	Effective date section.	13	26-27	Providing for, except as stated in Sec. 35, this Act to have an immediate effective date.	

ALASKA COMMISSION ON POSTSECONDARY EDUCATION
SECTIONAL ANALYSIS
SB 277/HB 404 (1/28/04)

BILL SECTION	AK STATUTE SECTION TITLE	PAGE	LINE	PURPOSE OF SECTION	TYPE OF CHANGE
1	ACPE authorized functions. 14.42.030(e)	1-3	7-1	Adds authority to establish and enforce collection orders on defaulted loans and provide for borrower appeals of collection orders.	Amended Language
2	Education loan fund. 14.42.210(a)	3	2-9	Conforming change to add revised grant program.	Amended Language
3	14.42.210(b)	3	10-19	Conforming change; by reference, specifically authorizes grant program funding.	Amended Language
4	Bonds of the corporation. 14.43.220(a)	4	20-31	Expand the use of bond proceeds to pay costs of state projects.	Amended Language
5	Conditions of loans. 14.43.120(u)	4	1-11	Makes determination of an origination fee a corporation function and automatically places fees into the education loan fund of the corporation.	Amended Language
6	Consolidation of loans. 14.43.122(a)	4	12-20	Increases flexibility for offering loan consolidation options.	Amended Language
7	Default. 14.43.145 (a)	4-5	21-5	Provides authority to establish a collection order as a means of recovering on defaulted loans.	Amended Language
8	Authority and procedure to administratively establish and enforce a collection order. 14.43.151	5	6-14	Describes administrative process for establishing a lien through a collection order.	New Language
	Initiation of administrative action to establish a collection order; required notice. 14.43.152	5-6	15-9	Steps for establishing collection order; notice to borrower.	
	Hearings in administrative action to establish a collection order; burden of proof. 14.43.153	6-7	10-2	Provides due process for borrower to contest establishment of collection order through administrative hearing.	

Provided by ACPE

BILL SECTION	AK STATUTE SECTION TITLE	PAGE	LINE	PURPOSE OF SECTION	TYPE OF CHANGE
	Collection order as judgments. Sec. 14.43.154	7	3-7	Provides that collection order is equivalent to judgment.	New Language.
	Nature of remedies. 14.43.155	7	8-9	Provides that collection order is an alternate remedy to commission.	New Language
9	Purpose; creation. 14.43.161	7	10-15	Conforming change of trademark name.	Amended Language.
10	Repayment of loans. 14.43.166	7	16-25	Requires immediate repayment of consolidation loans.	Amended Language.
11	Default. 14.43.168(b)	7	26-28	Conforming change to incorporate new administrative collection order authority.	Amended Language
12	Creation, purpose. 14.43.170	7	29-7	Conforming change of trademark name.	Amended Language
13	Applicability of other laws. 14.43.171	8	8-13	Changes applicable cite to allow for consolidation of supplemental education loans.	Amended Language
14	Eligibility. 14.43.172(c)	8-9	14-5	Revised so borrower that has fully repaid a defaulted loan may be eligible for new loan without a cosigner.	Amended Language
15	Eligibility. 14.43.172(d)	9	6-11		
16	Purpose: creation. 14.43.400	9	12-20	Revised to rename and describe grant program.	Amended Language
17	Administration. 14.43.405(a)	9	21-24	Conforming change of name of grant program to be administered as provided in 14.42.030.	Amended Language
18	Applicability of other laws. 14.43.406	9-10	25-2	Conforms by incorporating reference to other aid programs, grant program residency requirement, confidentiality of financial need information, repayment for an ineligible recipient, and definitions.	New Language
19	Distribution of funds. 14.43.410	10	3-8	Conforming change of name of grant program.	Amended Language
20	4.43.410(b)	10	9-13	Revised to permit grants for half-time study.	New Language

BILL SECTION	AK STATUTE SECTION TITLE	PAGE	LINE	PURPOSE OF SECTION	TYPE OF CHANGE
21	Eligibility; priority. 14.43.415	10-11	14-6	Revised to require in-state attendance. Requires prioritization of eligible programs of study based on state workforce needs.	Amended Language
22	Limitation on grants. 14.43.420(a)	11	7-10	Revises minimum and maximum grant amounts.	Amended Language
23	14.43.420(c)	11	11-13	Sets maximum grant dollars per recipient.	New Language
24	Definitions. 14.43.500	11	14-28	Provides definitions of occupational fields for which a "shortage priority" may be given.	Amended Language
25	Loan terms and conditions. 14.43.740(a)	11-12	29-2	Removes student-specific loan maximum; permits loan consolidation and administrative collection from liens.	Amended Language
26	14.43.740(g)	12	3-5	Permits commission to set loan limits by regulation.	New Language
27	Definition. 14.43.990	12	6-12	Provide definition for AlaskAdvantage, the agency's service mark registered under the Trademark Act.	New Language.
28	Repayment condition for program participants. 14.44.040(c)	12	13-16	Conforming change to include new authority for collection order for defaulted WICHE PSEP loans.	Amended Language
29	Application of this chapter. General Provisions to state procurement code. 36.30.850(b)	12	17-21	Excludes contracts for electronic services entered into by the Commission and Corporation for financial aid administration.	Amended Language

BILL SECTION	AK STATUTE SECTION TITLE	PAGE	LINE	PURPOSE OF SECTION	TYPE OF CHANGE
30	Repealer section.	12	22-23	<p>Repeal AS 14.42.110. Purpose of corporation.</p> <p>Repeal AS 14.42.220(f), limits aggregate amount of bonds that can be issued in two consecutive years other than through legislation.</p> <p>Repeal 14.43.122(b). Limits consolidated loan interest rate to be weighted average of the interest rates on loans being consolidated.</p> <p>Repeal AS 14.43.145(b). Notification of default and consequences to borrower. Replaced in Sec. 8</p> <p>Repeal 14.43.145(c). Appeal process for borrower of notice of default. Replaced in Sec. 8</p> <p>Repeal 14.43.300(g). ACPE authority to set loan origination fee on memorial education loans. Duplicate language of 14.43.120(u) incorporated by reference.</p> <p>Repeal 14.43.405(b). Student aid provisions applicable to the grant program. Replaced in Sec. 18.</p> <p>Repeal 14.43.420(b). Allows grant to be used at accredited postsecondary educational institution, already stated in eligibility section 14.43.415. See Sec. 20.</p> <p>Repeal 14.43.500(1) Defines resident. Replaced in Sec. 18 by incorporating residency requirement of 14.43.162.</p> <p>Repeal 14.43.500(2) Defines undergraduate. Term not used in remaining text.</p>	Amending Language.
31	Transition language.	12	24-29	Authorization to promulgate regulations.	
32	Instructions to Revisor	12-13	30-6	Conforming changes to titles in Articles 5 and 8.	

BILL SECTION	AK STATUTE SECTION TITLE	PAGE	LINE	PURPOSE OF SECTION	TYPE OF CHANGE
33	Instructions to Regulations Attorney	13	7-13	Instructions to make conforming changes to insert "AlaskAdvantage" in regulations.	
34	Effective date section.	13	14	Providing for Sec. 5 to be effective January 1, 2005.	
35	Effective date section.	13	15-16	Providing for, except as stated in Sec. 34, this Act to have an immediate effective date.	

FRANK H. MURKOWSKI
GOVERNOR

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JUNEAU

SB277
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January 22, 2004

The Honorable Gene Therriault
President of the Senate
Alaska State Legislature
State Capitol, Room 107
Juneau, AK 99801-1182

Dear President Therriault:

Under the authority of article III, section 18, of the Alaska Constitution, I am transmitting a bill relating to the Alaska Commission on Post-secondary Education (ACPE) and the Alaska Student Loan Corporation (ASLC). This bill is a result of ASLC board members and management, in consultation with financial advisors, proposing a mechanism where (1) the state could optimize the use of its financial assets and deliver a greater return to Alaskans for its initial investment in ASLC and ACPE; and (2) continue to effectively administer ACPE/ASLC financial aid programs.

The bill would allow ASLC to issue bonds utilizing future cash flow that is in excess of that needed for effective and efficient operation of corporation programs. ASLC predicts it can return \$260 million to the state over a three-year period beginning in 2004; the proceeds from which would be available to finance capital projects.

The ASLC's primary mission is to support, promote, and provide access to postsecondary education for Alaskans. The objective of this legislation is to continue to serve that mission, but to do so in a way that permits ASLC to serve broader state interests through the efficient allocation of financial resources. As part of the development process, cash flow models were developed to ensure the corporation has and will continue to have the financial capacity to discount loan interest rates and deliver outstanding borrower benefits to its primary customers -- Alaska students and their families.

The bill establishes a "needs-based" grant program to be funded from corporate receipts and federal matching dollars. Grants must be used for qualified Alaska education programs focused on meeting Alaska's labor shortage needs. A priority is placed on students enrolled in programs of study (such as health care and education) where there is a severe shortage of trained individuals in Alaska.

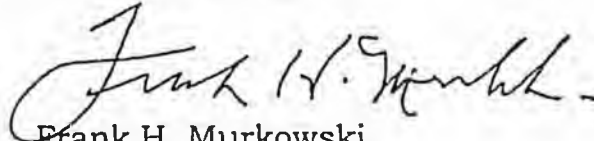
The Honorable Gene Therriault
January 22, 2004
Page 2

The bill also creates an "administrative collection order" and a process for establishment and use of such an order by ACPE. An administrative collection order would allow ACPE to establish a lien on borrower's property when that person has broken their promise to re-pay an education loan.

Finally, the bill exempts ACPE and ASLC contracts for disbursing and guaranteeing financial aid money from Alaska's procurement code. This creates efficiencies in the internal operations of ACPE and ASLC and meets the needs of participating post-secondary institutions (ACPE contracts with a guaranty agency and disbursing agents to electronically guarantee and/or disburse financial aid money for students to colleges and universities).

I urge your prompt and favorable action on this measure.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Frank H. Murkowski". The signature is written in a cursive, flowing style.

Frank H. Murkowski
Governor

Enclosure

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 1/23/04

FURTHER: Finance

Date of 5-Day Notice: 1/29/04
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 2.10.04

Health, Education and Social Services Committee considered

SENATE BILL NO. 277

SB 277 STUDENT LOAN PROGRAMS

"An Act relating to the Alaska Commission on Postsecondary Education; relating to the Alaska Student Loan Corporation; relating to bonds of the corporation; relating to loan and grant programs of the commission; relating to an exemption from the State Procurement Code regarding certain contracts of the commission or corporation; making conforming changes; and providing for an effective date."

and recommends:

- be replaced with _____ CS for SB 277 (HES)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:	
<input checked="" type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
House Bill:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
EED	1/30	x			4

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
ADM	12/15			✓	1
CBD	12/12			✓	2

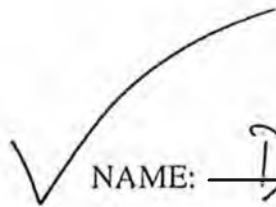
APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:		DO PASS	DO NOT PASS	NO REC	AMEND
Green	<i>Lyle Green</i>	✓			
Wilken	<i>Gary Wilken</i>	✓			
Dyson	CHAIR: <i>Paul Dyson</i>	✓			

SENATE FINANCE COMMITTEE

SIGN-IN

SB 277-STUDENT LOAN PROGRAMS



NAME: DIANE BARRON Subject/Bill No: _____

Co./Dept./Title: ACPE Phone: _____

Address: _____ Zip: _____

Do you wish to testify? ___Yes ___No Respond To Questions

NAME: Sheila King Subject/Bill No: _____

Co./Dept./Title: ACPE Phone: _____

Address: _____ Zip: _____

Do you wish to testify? ___Yes ___No Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? ___Yes ___No ___ Respond To Questions

NAME: _____ Subject/Bill No: _____

Co./Dept./Title: _____ Phone: _____

Address: _____ Zip: _____

Do you wish to testify? ___Yes ___No ___ Respond To Questions

SENATE FINANCE COMMITTEE

SIGN-IN

SB 277-STUDENT LOAN PROGRAMS

✓ NAME: DIANE BALBANS Subject/Bill No: SB 277
Co./Dept./Title: Exec. Dir. / Off. in Charge ^{APPE+} Student Loans Phone: 465-6740
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: Sheila King Subject/Bill No: SB 277
Co./Dept./Title: Finance Officer APPE+ ASLC Phone: 465 6757
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

NAME: _____ Subject/Bill No: _____
Co./Dept./Title: _____ Phone: _____
Address: _____ Zip: _____
Do you wish to testify? Yes No Respond To Questions

