

HB

325

SARAH PALIN
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January 15, 2008

The Honorable John Harris
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Harris:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that would expand the teachers' and nurses' housing loan program established within the Alaska Housing Finance Corporation. This bill expands the program to allow licensed or certified health care professionals, including registered nurses, in the state to take advantage of the housing loan program. This loan program is a crucial component in Alaska school districts' and communities' ability to recruit and retain qualified public school teachers, counselors, school administrators, and health care professionals.

In 2003 Senate Bill 25 was signed into law establishing the loan program. Under this program, a qualified applicant is allowed to purchase an owner-occupied home, without paying a conventional down payment. As of October 31, 2007, 373 loans in 34 Alaska communities have been made to teachers and registered nurses, comprising over 72 million dollars in loans.

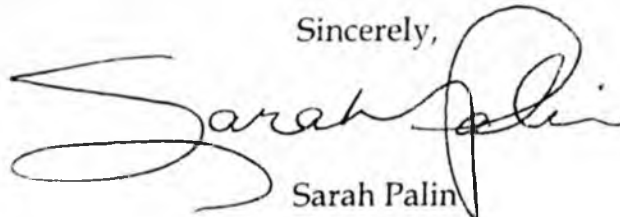
This bill would make two significant changes to the existing program. First, the original legislation contained a five-year sunset provision that would repeal the program on July 1, 2008. This bill would repeal the sunset provision and would make the program permanent within the Alaska Housing Finance Corporation. Second, this bill would expand the program to allow qualified licensed or certified health care professionals, including registered nurses, in the state to take advantage of the housing loans. There is a serious shortage of health care professionals in Alaska. With this change, I hope to use this housing loan program to help reduce this shortage. I am committed to improving access to health care services and I believe expanding the housing loan program will help accomplish this goal.

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I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in black ink, reading "Sarah Palin". The signature is written in a cursive style with a large, looping initial "S" and a distinct "P" at the end.

Sarah Palin
Governor

Enclosure



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January 17, 2008

The Honorable Peggy Wilson
Chair Health, Education, & Social Services
Alaska State Legislature
Juneau, Alaska

Re: House Bill 325, Teachers'/Health Care Professionals' Housing Loan

Dear Chairwoman Wilson:

House Bill 325 was referred to the House HESS Committee.

This legislation repeals the sunset provision of the teachers' and nurses' housing loan program and expands the program to teachers and health care professionals.

The largest obstacle to homeownership is the availability of cash. By allowing 100% financing, which does not require a down payment, it allows entry level teachers and health care professionals to become home owners where otherwise they may not have the opportunity. The ability to own a home is an important factor in recruiting and retaining teachers and health care professionals.

Since 2003, when the program was initiated, 373 teachers and nurses have mortgaged homes, at no additional cost to AHFC or to the state. AHFC does not anticipate additional cost as the result of the change to the program to include health care professionals.

I respectfully request that HB 325 be scheduled for a hearing at your earliest convenience. I urge your prompt and favorable action on this measure.

If you need assistance or information, please do not hesitate to contact Bryan Butcher at 330-8445.

Sincerely

A handwritten signature in cursive script that reads "Daniel R. Fauske".

Daniel R. Fauske
CEO/Executive Director



"HOUSING FOR ALASKANS"

