

Alaska State Legislature

WHILE IN SESSION
CAPITOL BUILDING
JUNEAU, ALASKA 99801-1182
(907) 465-4931
1-800-870-4931
(907) 465-4316 FAX

INTERIM ADDRESS
716 WEST 4TH AVENUE
ANCHORAGE, ALASKA 99501
(907) 258-8198
(907) 258-8171 FAX



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Representative Joe Green

District 10

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CONTACT: Rep. Joe Green: (907) 465-4931

Loan Forgiveness Would Attract Teachers

House OKs HB 43; Forgives Portion of Education Graduates' Loans

(JUNEAU) – Graduates of Alaska colleges who agree to teach in Alaska public schools for five years could have some of their student loans for upper-level work forgiven, under legislation the House passed today.

House Bill 43, sponsored by Rep. Joe Green (R-Anchorage), seeks to ease the state teacher shortage by requiring the state to reimburse Alaska public school teachers for the cost of their state student loans for their junior and senior years of college.

“Alaska faces challenges in attracting and retaining people to teach, particularly in special education and other academic specialties,” said Green. “This bill would set in place a limited program to provide incentives for teachers to work in underserved areas of our state, both geographically and academically.”

The state Department of Education would determine which teachers would qualify for the forgiveness, by establishing what school districts and what teaching specialties would be considered underserved, most likely special education, math and science, and possibly foreign languages, Green said.

The forgiveness for student loans would apply to those credit hours earned following the student’s first 60 hours, or approximately first half of a four-year program. The forgiveness would cover up to 15 percent of the loan principle and interest for the first year of teaching service, 17.5 percent for the second year, 20 percent for the third, 22.5 percent for the fourth, and 25 percent for the fifth.

Loans used to fund the first 60 passed credit hours of the applicant’s college program would not qualify for the forgiveness program. This is to both preserve the benefit for those statistically most likely to complete their educations, and to provide an incentive for other teachers to return home to share the benefits of their education with Alaska’s children, he said.

“This is not going back to the blanket forgiveness of earlier years, but a limited and affordable effort to address some urgent state educational needs,” Green said. The state education department has supported the bill as a good step towards solving Alaska’s teacher shortage.

HB 43 moves next to the Senate for consideration.

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