



# Alaska State Legislature House & Senate Democrats

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## **REP. JOHN DAVIES OFFERS CHANGES TO STUDENT LOAN BILL**

Revised bill will have a longer-lasting effect

JUNEAU -- Representative John Davies (D-Fairbanks) announced changes today to HB 54. With these changes, the bill now offers lower Alaska State Student loan interest rates to college graduates who choose to stay in Alaska, rather than offering loan forgiveness. The bill will go before the House Special Committee on Education tomorrow at 8 a.m. on State Capitol Room 106.

"This is an excellent compromise between maintaining the state's fiscal responsibilities while satisfying the original intent of the bill which was to provide an incentive for educated people to remain in state," Rep. Davies said.

The bill was intended to encourage students to remain in Alaska to work after completing a degree program. In its new version, the bill will encourage long-term in-state commitment. As long as a person remains in Alaska the lower rate will be in effect; so the longer the residence, the greater the benefit for both the state and the borrower.

"Our student loan program has the unintended effect of encouraging the brain-drain from Alaska by helping to finance our students who attend out-of-state schools. Since students are likely to gain employment near the school from which they graduate, by helping them study outside, we help them stay outside," Davies said. "After investing in 12 or more years of education for our children, we should encourage them to utilize their skills and talent close to home. This will provide a more stable work force and help to keep families closer together."

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Sen. Bettye Davis, Sen. Johnny Ellis, Sen. Kim Elton, Sen. Lyman Hoffman, Sen. Georgianna Lincoln, Sen. Donny Olson, Rep. Ethan Berkowitz, Rep. Sharon Cissna, Rep. Harry Crawford, Rep. Eric Croft, Rep. John Davies, Rep. Gretchen Guess, Rep. Joe Hayes, Rep. Reggie Joule, Rep. Mary Kapsner, Rep. Beth Kerttula, Rep. Al Kookesh, Rep. Carl Moses