

Chapter 20. Miscellaneous Boards and Commissions

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted. Complete new sections are not in boldface or underlined.)

Register _____, _____ 20____ ALASKA STUDENT LOAN CORPORATION.

20 AAC 14.050(f) is amended to read:

(f) **From time to time as it deems appropriate, but at least annually,** [T]the corporation will set loan interest rates [ON OR AFTER MARCH 1 OF EACH YEAR] **and an effective date for those interest rates.** The interest rates apply to loans that the corporation originates, consolidates, **or** refinances[, OR PURCHASES FOR THE PERIOD BEGINNING JULY 1 OF THAT CALENDAR YEAR AND ENDING JUNE 30 OF THE SUBSEQUENT CALENDAR YEAR] **starting on the effective date.**

20 AAC 14.220(c) is amended to read:

(c) A loan eligible for refinancing under 20 AAC 14.200 - 20 AAC 14.240 must

[(1) BE IN A GRACE OR REPAYMENT STATUS;]

[(2)] **(1)** if in repayment status, be current in repayment; and

[(3)] **(2)** be for a student who was a resident of this state at the time the underlying

loan was originated, if a family member of the student borrowed the loan on behalf of the student. (Eff. 7/31/2016, Register 219; am ____/____/____, Register ____)

20 AAC 14.225(e) is repealed:

(e) Repealed ____/____/____.

20 ACC 14.240. is amended by adding a new subsection to read:

(e) A cosigner's obligation to repay the loan

(1) begins when the borrower's obligation begins;

(2) is deferred while the borrower's obligation is deferred;

(3) continues even if the borrower's obligation to repay the loan is discharged or canceled before the loan is paid in full, even if the discharge or cancellation occurs due to the death or disability of the borrower; and

(4) continues even if the borrower's obligation to repay the loan is determined to have been discharged in bankruptcy unless the cosigner's obligation to repay the loan has also been determined to have been discharged in the cosigner's bankruptcy.

Authority: **AS 44.17.030**

AS 14.42.150

AS 14.42.200

AS 14.43.122