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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON

In Re:)	
DIXIE LEE CARTER,)	No. 99-02115-W1B
)	Adv. No. A99-00085-W1B
Debtor(s).)	
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DIXIE LEE CARTER,)	
)	
Plaintiff(s),)	MEMORANDUM DECISION RE:
)	DEFENDANT'S MOTION TO DISMISS
vs.)	
ALASKA STUDENT LOAN CORPORATION,)	
a state agency,)	
)	
Defendant(s).)	

Debtor/Plaintiff commenced a Chapter 7 proceeding on April 6, 1999. On May 7, 1999 plaintiff commenced this adversary proceeding alleging that her student loan obligation to defendant Alaska Student Loan Corporation (ASLC) was dischargeable under 11 U.S.C. § 523(a)(8) as it imposed an undue hardship on the plaintiff. By stipulation filed January 19, 2000, the parties agreed that, for sovereign immunity purposes, ASLC is an arm of the State of Alaska.

FILED

MEMORANDUM DECISION RE: DEFENDANT'S . . . - 1

MAR 13 2000

ENTERED
MAR 13 *RL*

T.S. MCGREGOR, CLERK
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON

1 On August 28, 1999, ASLC filed a Motion to Dismiss alleging that
2 the doctrine of sovereign immunity precludes this court from exercising
3 its jurisdiction over ASLC. Further, that ASLC has not waived its
4 immunity from suit. The matter was argued on February 28, 2000.

5 HOLDING

6 This court recently issued its Memorandum Decision in *Huffine v.*
7 *California State University-Chico, et al.*, cause No. A97-0012-W1B, which
8 has recently been submitted for publication and addresses the same issue
9 as presented here, to wit; does this court have jurisdiction to
10 determine dischargeability of student loan obligations when the
11 defendant is an arm of the state. A thorough analysis of this issue is
12 contained in *Huffine*.

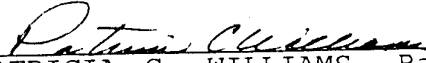
13 The evidence in this case consists of the Promissory Note signed by
14 the plaintiff on July 18, 1985. That Note indicates that the student
15 loan in dispute originated under the Alaska Student Loan Program.
16 Although ALASKA STAT. § 14.42(16) (1999) authorizes the defendant to enter
17 into agreements with the federal government and participate in the
18 federal student loan program under the Higher Education Act of 1965, the
19 plaintiff does not deny that the loan in controversy was initiated under
20 the Alaska Student Loan program established by ALASKA STAT. § 14.42.210
21 (1999). No federal funds were involved and the federal student loan
22 program requirements are not applicable to the particular loan which is
23 the subject matter of this adversary proceeding. Consequently, under
24 the legal analysis set forth in *Huffine, supra*, the defendant has not in
25 this action waived its immunity from suit in federal courts.

26 The Motion to Dismiss is granted and an order of dismissal will be
27 entered accordingly.

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The Clerk of Court is directed to file this Memorandum Decision and provide copies to counsel.

DATED this 13th day of March, 2000.


PATRICIA C. WILLIAMS, Bankruptcy Judge