

SENATE CS FOR CS FOR HOUSE BILL NO. 305(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 5/1/02
Referred: Rules

Sponsor(s): REPRESENTATIVES MURKOWSKI, HARRIS, MULDER, JAMES, Hudson, Green, Guess,
Dyson, Foster

A BILL

FOR AN ACT ENTITLED

1 **"An Act prohibiting certain state employment, a student loan, or a permanent fund**
2 **dividend for a person who fails to register for the military selective service; and**
3 **providing for an effective date."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 14.43.125(a) is amended to read:

6 (a) A person is eligible for a loan if the person

7 (1) is

8 (A) enrolled as a full-time student in a career education,
9 associate, baccalaureate, or graduate degree program;

10 (B) enrolled as a half-time student in a career education,
11 associate, baccalaureate, or graduate degree program

12 (i) in the state; or

13 (ii) out of the state and is physically present in this state
14 while attending that program; or

1 (C) a graduate of a high school or the equivalent, or scheduled
 2 for graduation from a high school within six months, who, at the time of loan
 3 disbursement, will be enrolled in compliance with (A) or (B) of this paragraph;

4 (2) is not delinquent and has never been in default on a loan previously
 5 awarded by the commission;

6 (3) is a resident of the state at the time of application for the loan; for
 7 purposes of this section, a person qualifies as a resident of the state if at the time of
 8 application for the loan the person

9 (A) has been physically present in the state for at least one year
 10 immediately before the time of application for the loan with the intent to
 11 remain indefinitely;

12 (B) is dependent on a parent or guardian for care, the parent or
 13 guardian has been present in the state for at least one year immediately before
 14 the time of application for the loan with the intent to remain indefinitely, and
 15 the person has been present in the state for at least one year of the immediately
 16 preceding five years except that the commission may by a two-thirds vote,
 17 acting upon a written appeal by the person, grant an exemption to the
 18 requirement that the person has been present in the state for one year of the
 19 immediately preceding five years;

20 (C) has been physically present in the state for at least one year
 21 immediately before the applicant was absent from the state, the person intends
 22 to return permanently to the state, and the absence is due solely to

23 (i) serving an initial period of up to three years on
 24 active duty as a member of the armed forces of the United States;

25 (ii) serving for up to three years as a full-time volunteer
 26 under the Peace Corps Act;

27 (iii) serving for up to three years as a full-time volunteer
 28 under the Domestic Volunteer Service Act of 1973;

29 (iv) required medical care for the applicant or the
 30 applicant's immediate family;

31 (v) being a person who otherwise qualifies as a resident

1 and is accompanying a spouse who qualifies as a resident under (i) -
2 (iv) of this paragraph;

3 (vi) an absence allowed under (D)(i) - (iv) of this
4 paragraph; or

5 (D) is a dependent of a parent or guardian who has been
6 physically present in the state for at least one year immediately before the
7 parent or guardian was absent from the state, the parent or guardian intends to
8 return permanently to the state, and the absence is due solely to

9 (i) participating in a foreign exchange student program
10 recognized by the commission;

11 (ii) attending a school as a full-time student;

12 (iii) full-time employment by the state;

13 (iv) being a member of or employed full-time by the
14 state's congressional delegation;

15 (v) being a person who otherwise qualifies as a resident
16 and is accompanying a spouse who qualifies as a resident under (i) -
17 (iv) of this paragraph;

18 (4) does not have a past due child support obligation established by
19 court order or by the child support enforcement division under AS 25.27.160 -
20 25.27.220 at the time of application or loan disbursement;

21 (5) has not, within the previous five years, had a loan discharged or
22 written off by the commission for any reason;

23 (6) does not have a status, at the time of the application for a loan or
24 disbursement of loan funds, that would prevent the person from repaying the loan as it
25 becomes due;

26 (7) has not within the previous seven years defaulted on another loan
27 made to the person by a lending entity unless the person can show good faith efforts to
28 repay the loan and extraordinary circumstances that led to the default; [AND]

29 (8) does not have a credit history, at the time of application for a loan,
30 that demonstrates chronic inability or unwillingness to pay an extension of credit or
31 loan as it becomes due; **and**

1 **(9) has complied with the military selective service registration**
 2 **requirements imposed under 50 U.S.C. App. 453 (Military Selective Service Act),**
 3 **if those requirements were applicable to the person.**

4 * **Sec. 2.** AS 14.43.172(c) is amended to read:

5 (c) In addition to the provisions of (a) of this section, a borrower is eligible for
 6 a loan under AS 14.43.170 - 14.43.175 if the borrower

7 (1) is not delinquent on and has never been in default on a loan
 8 previously awarded by the commission;

9 (2) at the time of application or loan disbursement does not have a past
 10 due child support obligation established by court order or by the child support
 11 enforcement division under AS 25.27.160 - 25.27.220;

12 (3) has not, within the previous five years, had a loan discharged or
 13 written off by the commission for any reason;

14 (4) does not have a status, at the time of application for a loan or
 15 disbursement of loan money, that would prevent the borrower from repaying the loan
 16 as it becomes due;

17 (5) has not within the previous five years defaulted on another loan
 18 made to the borrower by a lending entity unless the borrower can show good faith
 19 efforts to repay the loan and extraordinary circumstances that led to the default;
 20 [AND]

21 (6) does not have a credit history, at the time of application for a loan,
 22 that demonstrates chronic inability or unwillingness to pay an extension of credit or
 23 loan as it becomes due; **and**

24 **(7) has complied with the military selective service registration**
 25 **requirements imposed under 50 U.S.C App. 453 (Military Selective Service Act),**
 26 **if those requirements were applicable to the person.**

27 * **Sec. 3.** AS 14.43.750(a) is amended to read:

28 (a) A person may apply for and obtain a family education loan on behalf of a
 29 family member if

30 (1) the borrower

31 (A) is a resident of the state at the time of application for the

1 loan; for purposes of this paragraph, a borrower qualifies as a resident of the
 2 state if the borrower has been physically present in the state for at least one
 3 year immediately before the time of application for the loan with the intent to
 4 remain indefinitely or, if not physically present in the state, the borrower has
 5 not declared or established residency in another state, intends to return
 6 permanently to the state, and the absence meets the requirements imposed
 7 under AS 14.43.125(a)(3)(C)(i) - (vi);

8 (B) satisfies the requirements of AS 14.43.125(a)(6) - (9)
 9 [AS 14.43.125(a)(6) - (8)];

10 (2) the family member

11 (A) is enrolled as a full-time student in a career education,
 12 associate, baccalaureate, or graduate degree program; or

13 (B) is a graduate of a high school or the equivalent, or
 14 scheduled for graduation from a high school within six months, who, at the
 15 time of loan disbursement, will be enrolled in compliance with (A) of this
 16 paragraph; and

17 (3) neither the borrower nor the family member

18 (A) is delinquent or has ever been in default on a loan
 19 previously awarded by the commission;

20 (B) is past due on a child support obligation established by
 21 court order or by the child support enforcement division under AS 25.27.160 -
 22 25.27.220 at the time of application or loan disbursement;

23 (C) has, within the previous five years, had a loan discharged
 24 or written off by the commission for any reason.

25 * **Sec. 4.** AS 39.25.160 is amended by adding a new subsection to read:

26 (k) A person may not be employed in the classified, partially exempt, or
 27 exempt service unless the person has complied with the military selective service
 28 registration requirements imposed under 50 U.S.C. App. 453 (Military Selective
 29 Service Act), if those requirements were applicable to the person. Notwithstanding
 30 AS 39.25.110, this subsection applies to employees in the exempt service except

31 (1) a justice, a judge, or a magistrate;

- 1 (2) the governor or the lieutenant governor;
 2 (3) a member of the legislature;
 3 (4) a person appointed under art. III, sec. 25, or art. III, sec. 26,
 4 Constitution of the State of Alaska.

5 * **Sec. 5.** AS 43.23.005(a) is amended to read:

6 (a) An individual is eligible to receive one permanent fund dividend each year
 7 in an amount to be determined under AS 43.23.025 if the individual

- 8 (1) applies to the department;
 9 (2) is a state resident on the date of application;
 10 (3) was a state resident during the entire qualifying year;
 11 (4) has been physically present in the state for at least 72 consecutive
 12 hours at some time during the prior two years before the current dividend year;

- 13 (5) is
 14 (A) a citizen of the United States;
 15 (B) an alien lawfully admitted for permanent residence in the
 16 United States;
 17 (C) an alien with refugee status under federal law; or
 18 (D) an alien that has been granted asylum under federal law;

19 [AND]

20 (6) was, at all times during the qualifying year, physically present in
 21 the state or, if absent, was absent only as allowed in AS 43.23.008; **and**

22 **(7) was in compliance during the qualifying year with the military**
 23 **selective service registration requirements imposed under 50 U.S.C. App. 453**
 24 **(Military Selective Service Act), if those requirements were applicable to the**
 25 **individual.**

26 * **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to
 27 read:

28 APPLICABILITY. This Act applies to a person who seeks employment with the
 29 state, applies for an education loan, supplemental education loan, or family education loan
 30 under AS 14.43, or applies for a permanent fund dividend under AS 43.23 on or after the
 31 effective date of the appropriate corresponding section of this Act.

- 1 * **Sec. 7.** Sections 1 - 3 and 6 of this Act take effect July 1, 2003.
- 2 * **Sec. 8.** Except as provided in sec. 7 of this Act, this Act takes effect January 1, 2004.