

**HOUSE BILL NO. 305**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

**BY REPRESENTATIVES MURKOWSKI, HARRIS, MULDER, AND JAMES, Hudson, Green, Guess, Dyson, Foster**

**Introduced: 1/14/02**

**Referred: House Special Committee on Military and Veterans' Affairs, State Affairs**

**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

1 while attending that program; or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 (4) does not have a past due child support obligation established by  
 20 court order or by the child support enforcement division under AS 25.27.160 -  
 21 25.27.220 at the time of application or loan disbursement;

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

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

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

30 (8) does not have a credit history, at the time of application for a loan,  
 31 that demonstrates chronic inability or unwillingness to pay an extension of credit or

1 loan as it becomes due; **and**

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

5 \* **Sec. 2.** AS 14.43.750(a) is amended to read:

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

8 (1) the borrower

9 (A) is a resident of the state at the time of application for the  
 10 loan; for purposes of this paragraph, a borrower qualifies as a resident of the  
 11 state if the borrower has been physically present in the state for at least one  
 12 year immediately before the time of application for the loan with the intent to  
 13 remain indefinitely or, if not physically present in the state, the borrower has  
 14 not declared or established residency in another state, intends to return  
 15 permanently to the state, and the absence meets the requirements imposed  
 16 under AS 14.43.125(a)(3)(C)(i) - (vi);

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

19 (2) the family member

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

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

26 (3) neither the borrower nor the family member

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

29 (B) is past due on a child support obligation established by  
 30 court order or by the child support enforcement division under AS 25.27.160 -  
 31 25.27.220 at the time of application or loan disbursement;

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

3 \* **Sec. 3.** AS 39.25.160 is amended by adding a new subsection to read:

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

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

10 (2) the governor or the lieutenant governor;

11 (3) a member of the legislature;

12 (4) a person appointed under art. III, sec. 25, or art III, sec. 26,

13 Constitution of the State of Alaska.

14 \* **Sec. 4.** AS 43.23.005(a) is amended to read:

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

17 (1) applies to the department;

18 (2) is a state resident on the date of application;

19 (3) was a state resident during the entire qualifying year;

20 (4) has been physically present in the state for at least 72 consecutive  
21 hours at some time during the prior two years before the current dividend year;

22 (5) is

23 (A) a citizen of the United States;

24 (B) an alien lawfully admitted for permanent residence in the  
25 United States;

26 (C) an alien with refugee status under federal law; or

27 (D) an alien that has been granted asylum under federal law;

28 [AND]

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

31 **(7) was in compliance during the qualifying year with the military**

1           selective service registration requirements imposed under 50 U.S.C. App. 453  
2           (Military Selective Service Act), if those requirements were applicable to the  
3           individual.

4           \* **Sec. 5.** APPLICABILITY. This Act applies to a person who seeks employment with the  
5 state, applies for a student loan or family education loan under AS 14.43, or applies for a  
6 permanent fund dividend under AS 43.23 on or after the effective date of this Act.

7           \* **Sec. 6.** This Act takes effect January 1, 2003.