

HB

305

22-LS1209\O
Ford
4/30/02

SENATE CS FOR CS FOR HOUSE BILL NO. 305()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

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.

ALASKA STATE LEGISLATURE

Sen. Gary Wilken, Co-Chair
Sen. Bettye Davis
Sen. Loren Leman
Sen. Randy Phillips
Sen. Alan Austerman, Alternate

Rep. Eldon Mulder, Co-Chair
Rep. Jeannette James
Rep. John Harris
Rep. Reggie Joule
Rep. Lisa Murkowski
Rep. Bill Hudson, Alternate

Public Members: Jake Lestenkof • John Hoyt • George Vakalis • Dean Owen • Frank Love • Charles Wallace

JOINT ARMED SERVICES COMMITTEE

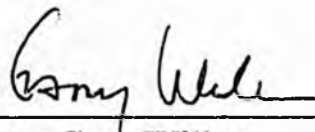
January 17, 2002

Representative Lisa Murkowski
Special Committee on Military and Veterans' Affairs
Alaska State Legislature
Juneau, Alaska 99801

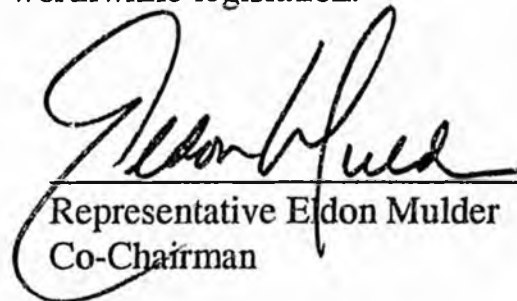
Dear Representative Murkowski:

At the November 15, 2001 meeting of the Joint Armed Services Committee, we received an informative briefing from Charles Smith, State Director of the Selective Service System for Alaska.

As you are aware, at that meeting Senator Randy Phillips moved that our committee request legislation be put forward requiring receipt of state benefits including the Permanent Fund be tied to Selective Service registration. Following lengthy discussion, the motion carried unanimously. We are pleased to lend our support to this worthwhile legislation.



Senator Gary Wilken
Co-Chairman



Representative Eldon Mulder
Co-Chairman

SELECTIVE SERVICE SYSTEM

ALASKA STATE HEADQUARTERS

WHELAN, ALASKA

REPRESENTATIVE LEO MURKOWSKI

ALASKA STATE LEGISLATURE

DEAR REPRESENTATIVE MURKOWSKI:

THIS LETTER IS WRITTEN IN SUPPORT OF YOUR BILL CONCERNING SELECTIVE SERVICE REGISTRATION. THERE ARE TWO WAYS TO VIEW SELECTIVE SERVICE LEGISLATION:

FIRST, SELECTIVE SERVICE REGISTRATION IS REQUIRED OF ALL YOUNG MEN BETWEEN THE AGES OF 18 THROUGH 25; FAILURE TO REGISTER BEFORE AGE 26 IS A FEDERAL CRIME, PUNISHABLE BY UP TO 5 YEARS IN PRISON AND UP TO A \$250,000.00 FINE; ALSO, YOUNG MEN FAILING TO REGISTER DENIES VARIOUS BENEFITS TO THEM, SUCH AS, STUDENT LOANS, FEDERAL GRANTS ALONG WITH FEDERAL EMPLOYMENT INCLUDING THE POSTAL SERVICE; FAILURE TO REGISTER ALSO PRECLUDES ALIENS FROM BECOMING U.S. CITIZENS.

SECOND, AS DISCUSSED WITH THE LEGISLATIVE JOINT ARMED SERVICES COMMITTEE, INDIVIDUALS RECEIVING STATE BENEFITS SHOULD CONSIDER

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TO THE LAW, AS WELL AS TO PROTECT THEM
FROM THE LOSS OF FEDERAL BENEFITS.

I SINCERELY APPRECIATE YOUR ATTENTION
TO THIS MOST IMPORTANT MATTER.

IF I CAN BE OF ANY ASSISTANCE, PLEASE
DO NOT HESITATE TO CALL ON ME.

Very Truly Yours,



CHARLES A. SMITH

STATE DIRECTOR

To: The Senate
 From: LTC Victor Van Horn,
 SSS Detachment Commander- Alaska Army National Guard
 Educator for the Sitka School Borough
 Re: SSS Legislation

I am in full support of the legislation for the Selective Service System Bill. As an educator, I know what happens to students that don't register for the Selective Service. There are many reasons to help students register for the Selective Service: Federal financial aid, Federal employment (includes Post Office), job training benefits, and some State jobs. They will violate the Federal law- even though the SSS hasn't prosecuted anyone lately does not mean we don't need the legislation. But by helping a student to registrar, we will keep him from violating Federal law and subject to \$250,000 maximum fine, a prison term of up to five years, or a combination of both. It is hard enough to make it without putting another burden on these young kids. Our jobs as citizens, educators, and legislators are to educate them to get registered with the SSS and help make sure they don't loose valuable benefits.

As the SSS Detachment Commander, I know we are limited to three National Guard officers to make sure all students registrar. These officers work for the SSS while on National Guard duty (part time) - which means we don't have enough time to make sure registration is done throughout the entire state. We have many other tasks to complete in order to be ready when we do incorporate a draft. It is not an easy task to get registrars in all the high schools in Alaska- right now we are at 90% of the high schools have a registrar on their staff. We need 100% high school to have registrars in order to be effective, along with the SSS legislation. Each person that does not registrar, Alaska looses many potential dollars for job training and Federal employment.

Registration with the SSS is not only a law but also a duty that every citizen should not take lightly. The protection of the US and the protection of our rights are important to all of us- because we must keep this country strong. Please help us make sure everyone does his part by registering with the Selective Service. We need to make sure all individuals that must registrar do registers with the SSS in order to make sure the draft is fair and equitable for everyone.

Thank you for considering the SSS bill as a very important legislation for the State of Alaska.


 LTC Victor Van Horn

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SELECTIVE SERVICE SYSTEM
REPORT NO. REGSTATS-4

DATE PREPARED 06/27/2001

REGISTRATION STATISTICS REPORTING SYSTEM

REGISTRATION STATISTICS
FOR MEDIA RELEASE
As Of
April 30, 2001

STATE	CURRENT YOB 1983	PRIOR YOB 1982	YOB 1981	YOB 1980	YOB 1979	YOB 1978	YOB 1977	YOB 1976	TOTAL ALL YOB
AK	1,113	4,680	4,929	4,818	4,599	4,412	4,251	4,061	32,863
AZ	5,188	24,008	28,404	29,828	28,222	26,716	26,548	26,246	195,160
CA	35,185	171,761	202,806	207,281	200,782	192,782	194,120	194,862	1399579
CO	4,587	18,223	25,971	27,022	25,721	24,107	23,947	23,195	172,773
GU	143	863	1,113	1,186	1,189	1,205	1,101	1,099	7,899
HI	1,271	5,566	6,384	6,889	6,970	6,727	6,474	6,276	46,557
IA	5,158	20,009	21,364	22,353	21,818	20,790	20,841	19,657	151,990
ID	2,458	9,501	10,224	10,661	10,357	9,799	9,971	9,391	72,362
KS	4,415	17,466	19,279	19,485	18,839	17,474	17,680	17,100	131,738
MN	7,825	32,453	35,599	35,631	34,643	32,881	31,929	30,477	241,438
MO	8,380	32,905	36,309	38,169	37,432	35,655	35,613	33,775	258,238
MP	28	122	174	219	217	228	246	236	1,470
MT	1,556	6,544	7,083	7,149	7,076	6,824	6,881	6,500	49,613
ND	1,558	5,099	5,217	5,328	5,168	4,902	5,070	4,745	37,087
NE	3,186	11,995	12,781	13,376	12,513	12,015	12,070	11,530	89,474
NM	2,600	11,309	12,791	13,200	12,504	12,484	12,339	12,071	89,298
NV	1,892	8,727	10,062	10,257	9,873	9,163	8,900	8,592	67,466
OK	4,234	22,937	24,978	25,916	25,254	23,906	24,348	23,944	175,517
OR	4,614	19,946	22,824	22,806	22,126	21,273	21,304	20,515	155,408
SD	1,561	5,756	6,169	6,360	6,063	5,693	5,689	5,567	42,858
UT	3,614	17,303	19,467	20,525	20,284	19,314	19,588	18,958	139,053
WA	7,873	34,374	38,818	39,641	38,494	36,144	36,082	35,150	266,576
WY	1,091	3,948	4,183	4,294	4,501	4,109	4,199	3,814	30,139
TOTALS	109,530	485,495	556,929	572,394	554,645	528,603	529,191	517,769	3854556

NATIONWIDE STATISTICS		ACTUAL REGISTRATIONS	ESTIMATED COMPLIANCE RATES
YOB 1983		360,443	75.9%
YOB 1982		1,542,420	73.6%
Draft Eligible (76-81)		10,405,728	90.3%
All YOB (76-83)		12,388,591	87.4%

SELECTIVE SERVICE SYSTEM
REPORT NO. REGSTATS-253

ZIP CODE DISTRIBUTION SUMMARY REPORT
As of Feb. 28, 2001

REGION: 3
STATE: ALASKA

YOB 1976 - 1983 (ALL YEARS OF BIRTH)

YOB 1983 (CURRENT YOB)

COUNTY	YOB 1976 - 1983 (ALL YEARS OF BIRTH)					YOB 1983 (CURRENT YOB)				
	ESTIMATED POPULATION	ACTUAL REGISTRATIONS	ESTIMATED COMP RATE	ACTUAL # OF NON-REGISTRATIONS	NON REGISTRATION RATE	ESTIMATED POPULATION	ACTUAL REGISTRATIONS	ESTIMATED COMP RATE	ACTUAL # OF NON-REGISTRATIONS	NON REGIS RATE
ALUTIANS EAST	28	0	0.00	0	0.00	2	0	0.00	0	0.00
ALUTIANS WEST	601	181	30.12	30	16.57	6	4	66.67	0	0.00
ANCHORAGE	12,154	10,285	84.34	1,100	18.70	188	150	100.00	4	0.00
BARTEL	760	185	30.26	53	1.60	12	12	100.00	0	0.00
BRISTOL BAY	538	662	100.00	12	1.81	1	2	100.00	0	0.00
DILLINGHAM	245	188	76.73	12	6.38	4	6	100.00	0	0.00
FAIRBANKS NORTH	4,769	2,359	62.89	217	7.57	70	59	84.29	0	0.00
FAIRBANKS SOUTH	117	133	100.00	8	6.02	2	5	100.00	0	0.00
JUNEAU	1,283	1,242	96.80	120	9.66	19	20	100.00	0	0.00
KENAI PENINSULA	2,189	2,558	100.00	152	5.94	34	61	100.00	0	0.00
KETCHIKAN GATE	644	713	100.00	48	6.73	8	8	100.00	0	0.00
KODIAK ISLAND	702	612	87.18	0	0.00	10	16	100.00	0	0.00
LAKE AND PENIN	103	123	100.00	0	0.00	1	4	100.00	0	0.00
MATANUSKA-SUSI	2,314	2,297	99.27	0	0.00	36	71	100.00	0	0.00
NOME	498	421	84.54	0	0.00	8	9	100.00	0	0.00
NORTH SLOPE	285	174	36.14	0	0.00	4	7	100.00	0	0.00
NORTHWEST NAUT	0	14	0.00	1	7.14	0	0	0.00	0	0.00
NORTHWEST ARIZ	351	296	84.33	38	12.84	5	7	100.00	0	0.00
PRINCE OF WALE	418	316	75.60	22	6.96	5	5	100.00	0	0.00
SITKA	424	439	100.00	18	4.10	6	10	100.00	0	0.00
SKAGWAY-YAKUTIA	0	201	0.00	12	5.97	0	3	0.00	0	0.00
SOUTHEAST FAIR	331	183	100.00	25	6.53	4	3	75.00	0	0.00
VALDEZ-CORDOVA	513	490	95.52	37	7.55	7	13	100.00	0	0.00
WADE HAMPTON	331	316	95.47	11	3.48	5	4	80.00	0	0.00
WRANGELL-PETER	311	310	99.68	16	5.16	4	7	100.00	0	0.00
YUKON-KOYUKUK	728	835	100.00	62	6.63	3	23	100.00	0	0.00
AK STATE TOTALS:	30,677	27,074	88.26	2,010	7.42	144	549	100.00	0	0.00

FAX NO. 7209411685

NOV-13-2001 TUE 03:07 PM REGION 3

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WHAT DOES THE SELECTIVE SERVICE SYSTEM PROVIDE FOR AMERICA?

The Selective Service System and the registration program for America's young men provide our Nation with:

- America's only time-proven, inexpensive *defense manpower insurance policy* in a still dangerous and uncertain world, and a hedge against underestimating the number of soldiers needed to fight in a future crisis.
- A visible symbol of national resolve to America's potential adversaries.
- A link between society-at-large and today's volunteer military, demonstrating that America's young men are responsibly standing ready to serve should a national crisis demand it.
- A proven, time-tested method of conducting a military draft in a crisis that would, from the outset, be the most fair and equitable draft in our nation's history.
- A small and efficient government agency, operating at a minimum essential budget level. Recent budgets have been consistently less than the Fiscal Year 1985 budget of \$27.4 million.
- A system that can conduct a skill specific draft, should the military find itself short of personnel with critical skills in a national emergency (i.e., medical personnel).
- Maintenance of a low cost infrastructure, existing in a variety of forms since 1917, to provide America with the ability to plan and operate an emergency conscription program.

ALASKA STATE LEGISLATURE

Chair:
LABOR AND COMMERCE

Member:
MILITARY AND VETERANS AFFAIRS
COMMUNITY AND REGIONAL AFFAIRS
LEGISLATIVE COUNCIL
JOINT ARMED SERVICES



REPRESENTATIVE LISA MURKOWSKI
Government Hill • Elmendorf • East Anchorage

Session:
ALASKA STATE CAPITOL
JUNEAU, AK 99801-1182
PHONE: (907) 465-3783
FAX: (907) 465-2293
Representative_Lisa_Murkowski@legis.state.ak.us

Interim:
716 WEST 4TH AVENUE
ANCHORAGE, AK 99501-2133
PHONE: (907) 269-0174
FAX: (907) 269-0177

Sponsor Statement

HB 305

“An Act prohibiting certain state employment, a student loan, or a permanent fund dividend for a person who fails to register for the military selective service; and providing for an affective date.”

In an effort to encourage military selective service registration for all eligible persons, I have introduced HB 305. The intent of this legislation is to ensure that Alaskans are knowledgeable about the military selective service registration system and will register promptly. This is particularly timely in view of the attack on America on September 11th and the resurgence of patriotism and service to protect our freedom and way of life in our country.

HB 305 requires any United States male citizen who is between the ages of 18 and 26 to comply with the federal selective service registration requirements, if applicable, when applying to receive:

- Certain state employment
- An Alaska student loan
- A permanent fund dividend

Failure to timely register within 30 days of turning 18 will result in ineligibility for the above state benefits. Federal law already requires military selective service registration, with consequences for not registering. A male U.S. citizen, who is 18 and meets the requirements of 50 U.S.C. App. 453 and has not registered for the selective service, is subject to a fine of \$250,000 and up to five years in prison. Registration is also a requirement to qualify for federal student aid, job training benefits and most federal employment. The US Immigration and Naturalization Service makes registration with the selective service a condition for US citizenship if the man first arrived in the U.S. before his 26th birthday. Twenty-eight other states have or are considering legislation which attaches conditions of service for eligibility for certain programs and state benefits. With this legislation, Alaska will join those other states in ensuring compliance with the federal registration requirements.

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CSHB305(STA)(am)
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title Noncompliance BRU Revenue Operations
with Selective Service Component Permanent Fund Dividend
 Sponsor Rep. Murkowski
 Requester Senate State Affairs Component No. 981

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill amends the eligibility section of the Permanent Fund Dividend statutes by adding a section requiring that an individual who is required to register with the Selective Service System be in compliance during the qualifying year in order to be determined eligible for the dividend.

We do not expect this bill to have a fiscal effect on the operations of the Permanent Fund dividend program.

See Page 2 for further discussion.

Prepared by: Nanci A. Jones Phone 465-2323
 Division Permanent Fund Dividend Date/Time 4/21/02 3:16 PM
 Approved by: Larry Persily, Deputy Commissioner Date 4/21/2002
 Agency Department of Revenue

**CSHB305(STA)(am)
Department of Revenue**

Although the Dividend Division does not expect this legislation will have a significant fiscal effect on the operations of the dividend program, we do expect that it will increase the number of eligibility determinations that go into review and appeal each year. The Division expects a fair number of applicants will be denied each year for failure to register with Selective Service -- particularly in the first year of the new law. Young Alaska men in 1999 and 2000 averaged 86.5% compliance with Selective Service registration.

The legislation does allow, however, Alaskans who are determined ineligible for the dividend for failing to register with Selective Service to correct the deficiency and regain their eligibility for the dividend by registering with the Selective Service System within 30 days of being notified of their lack of compliance.

We also expect that an unknown number of applicants will be initially denied each year because of failures in data matches between the Dividend Division's applicant information and computer tapes obtained from the Selective Service System. Although such errors (data entry, human error, hard-to-read hand-written applications) occur in any data match and can be corrected, some applicants will experience delays in receiving their dividend until they have cleared up any data errors in the matches.

The new eligibility rule of this legislation would be advertised in the January 2003 application booklet, giving applicants a full year's notice to register with the Selective Service System before the effective date of this bill on January 1, 2004.

ALASKA STATE LEGISLATURE

Chair:
LABOR AND COMMERCE

Member:
MILITARY AND VETERANS AFFAIRS
COMMUNITY AND REGIONAL AFFAIRS
LEGISLATIVE COUNCIL
JOINT ARMED SERVICES



REPRESENTATIVE LISA MURKOWSKI

Government Hill • Elmendorf • East Anchorage

Session:
ALASKA STATE CAPITOL
JUNEAU, AK 99801-1182
PHONE: (907) 465-3783
FAX: (907) 465-2293
Representative_Lisa_Murkowski@legis.state.ak.us

Interim:
716 WEST 4TH AVENUE
ANCHORAGE, AK 99501-2133
PHONE: (907) 269-0174
FAX: (907) 269-0177

To: Senator Gene Therriault, Chair of Senate State Affairs

From: Representative Lisa Murkowski

A handwritten signature in black ink, appearing to be "LM", written over the name "Representative Lisa Murkowski".

Date: March 25, 2002

Re: Hearing Request

Please schedule House Bill 305, the "Selective Service Registration Awareness and Compliance Act", to be heard in the Senate Standing Committee of State Affairs as soon as possible.

Included with the request is:

- 1) Latest version of HB 305
- 2) Fiscal Note
- 3) Sponsor Statement
- 4) Letters of Support
- 5) Informational Testimony

Thank you for your consideration.

CS FOR HOUSE BILL NO. 305(STA)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered:
Referred:

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

7 SHORT TITLE. This Act may be known as the Selective Service Registration
8 Awareness and Compliance Act.

9 * Sec. 2. AS 14.43.125(a) is amended to read:

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

11 (1) is

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

14 (B) enrolled as a half-time student in a career education,

1 associate, baccalaureate, or graduate degree program

2 (i) in the state; or

3 (ii) out of the state and is physically present in this state

4 while attending that program; or

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

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

10 (3) is a resident of the state at the time of application for the loan; for
11 purposes of this section, a person qualifies as a resident of the state if at the time of
12 application for the loan the person

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

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

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

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

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

31 (iii) serving for up to three years as a full-time volunteer

1 under the Domestic Volunteer Service Act of 1973;

2 (iv) required medical care for the applicant or the
3 applicant's immediate family;

4 (v) being a person who otherwise qualifies as a resident
5 and is accompanying a spouse who qualifies as a resident under (i) -
6 (iv) of this paragraph;

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

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

13 (i) participating in a foreign exchange student program
14 recognized by the commission;

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

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

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

19 (v) being a person who otherwise qualifies as a resident
20 and is accompanying a spouse who qualifies as a resident under (i) -
21 (iv) of this paragraph;

22 (4) does not have a past due child support obligation established by
23 court order or by the child support enforcement division under AS 25.27.160 -
24 25.27.220 at the time of application or loan disbursement;

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

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

30 (7) has not within the previous seven years defaulted on another loan
31 made to the person by a lending entity unless the person can show good faith efforts to

1 repay the loan and extraordinary circumstances that led to the default; [AND]

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

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

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

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

11 (1) the borrower

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

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

22 (2) the family member

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

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

29 (3) neither the borrower nor the family member

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

1 (B) is past due on a child support obligation established by
 2 court order or by the child support enforcement division under AS 25.27.160 -
 3 25.27.220 at the time of application or loan disbursement;

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

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

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

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

13 (2) the governor or the lieutenant governor;

14 (3) a member of the legislature;

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

16 Constitution of the State of Alaska.

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

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

20 (1) applies to the department;

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

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

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

25 (5) is

26 (A) a citizen of the United States;

27 (B) an alien lawfully admitted for permanent residence in the
 28 United States;

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

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

31 [AND]

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

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

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

9 APPLICABILITY. This Act applies to a person who seeks employment with the
10 state, applies for a student loan or family education loan under AS 14.43, or applies for a
11 permanent fund dividend under AS 43.23 on or after the effective date of this Act.

12 * Sec. 7. This Act takes effect January 1, 2004.

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 305
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title Noncompliance BRU Revenue Operations
with Selective Service Component Permanent Fund Dividend
 Sponsor Rep. Murkowski
 Requester Military and Veteran Affairs Component No. 981

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*

This bill amends the eligibility section of the Permanent Fund Dividend statutes by adding a section requiring that an individual who is required to register with the Selective Service System be in compliance during the qualifying year in order to be determined eligible for the dividend.

We do not expect this bill to have a fiscal effect on the operations of the Permanent Fund dividend program.

See Page 2 for further discussion.

Prepared by: Nanci A. Jones Phone 465-2323
 Division: Permanent Fund Dividend Date/Time 2/11/02 4:15 PM
 Approved by: Larry Persily, Deputy Commissioner Date 02/11/2002
 Agency: Department of Revenue

HB 305
Department of Revenue

Page 2 of 2

However, we do expect that this legislation will increase the number of eligibility determinations that go into review and appeal, as we expect a fair number of applicants will be denied each year for failure to register with Selective Service -- particularly in the first year of the new law. Young Alaska men in 1999 and 2000 averaged 86.5% compliance with Selective Service registration.

The bill carries a January 1, 2003 effective date, which would mean applicants for the October 2003 dividend would be judged on their compliance with Selective Service registration in 2002 — and we would expect that some applicants would be caught unaware of the new dividend eligibility rule until they were denied and it was too late the remedy the omission. (The new rule would be printed in the January 2003 application booklet.)

We also expect that an unknown number of applicants will be initially denied each year because of failures in data matches between the Dividend Division's information and computer tapes obtained from the Selective Service System. Although such errors (data entry, human error, hard-to-read hand-written applications) occur in any data match and can be corrected, the applicants will experience delays in receiving their dividend until they have cleared up any data errors in the matches.