

34-GS2585\G  
A. Radford  
4/10/26

**CS FOR SENATE BILL NO. 217(L&C)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Offered:  
Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act increasing contributions to the Department of Labor and Workforce**  
 2 **Development for the state training and employment program; relating to employer and**  
 3 **employee contributions to the unemployment compensation fund; establishing an**  
 4 **employer contribution for the state training and employment program; relating to**  
 5 **unemployment benefits; relating to the qualifications for instructors at the Alaska**  
 6 **Vocational Technical Center; relating to employment security contributions for certain**  
 7 **sports officials; relating to exemptions from the Alaska Workers' Compensation Act;**  
 8 **relating to employee unemployment tax credits; and providing for an effective date."**

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

10 \* **Section 1.** AS 12.62.400(a) is amended by adding a new paragraph to read:  
 11 (26) a position as an instructor at the Alaska Vocational Technical  
 12 Center.

1 \* **Sec. 2.** AS 23.15.630(a) is amended to read:

2 (a) In the manner provided in AS 23.20, the department shall collect from  
3 each employee an amount equal to .20 [ONE-TENTH OF ONE] percent of the wages,  
4 as set out in AS 23.20.175, on which the employee is required to make contributions  
5 under AS 23.20.290(d). The department shall remit to the Department of Revenue, in  
6 accordance with AS 37.10.050, money collected under this subsection.

7 \* **Sec. 3.** AS 23.15.630(a), as amended by sec. 2 of this Act, is amended to read:

8 (a) In the manner provided in AS 23.20, the department shall collect from  
9 each employee an amount equal to .20 percent of the wages, as set out in  
10 AS 23.20.175 [ , ON WHICH THE EMPLOYEE IS REQUIRED TO MAKE  
11 CONTRIBUTIONS UNDER AS 23.20.290(d)]. The department shall remit to the  
12 Department of Revenue, in accordance with AS 37.10.050, money collected under this  
13 subsection.

14 \* **Sec. 4.** AS 23.15.630 is amended by adding new subsections to read:

15 (d) In the manner provided in AS 23.20, the department shall collect from  
16 each employer an amount equal to 0.4 percent of the wages, as set out in  
17 AS 23.20.175, on which the employer is required to make contributions under  
18 AS 23.20.290(c). The department shall remit to the Department of Revenue, in  
19 accordance with AS 37.10.050, money collected under this subsection. The legislature  
20 may appropriate the revenue collected under this subsection to the employment  
21 assistance and training program account established in AS 23.15.625.

22 (e) The department shall credit against the amount owed by an employer under  
23 (d) of this section an amount equal to the contributions paid by the employer under  
24 AS 23.20.290(c). If the amount of the credit equals or exceeds the amount owed under  
25 (d) of this section, the employer's liability under (d) of this section is zero.

26 \* **Sec. 5.** AS 23.15.835(a) is amended to read:

27 (a) In the manner provided in AS 23.20 and for the benefit of the program, the  
28 department shall collect from each employee an amount equal to .25 percent of the  
29 wages, as set out in AS 23.20.175 [ , ON WHICH THE EMPLOYEE IS REQUIRED  
30 TO MAKE CONTRIBUTIONS UNDER AS 23.20.290(d)]. The department shall  
31 remit to the Department of Revenue, in accordance with AS 37.10.050, money

collected under this subsection.

\* **Sec. 6.** AS 23.15 is amended by adding a new section to read:

**Sec. 23.15.845. Background checks for Alaska Vocational Technical Center instructors.** An individual who serves as an instructor at the Alaska Vocational Technical Center shall submit to the Alaska Vocational Technical Center the individual's fingerprints and provide the fees required by the Department of Public Safety under AS 12.62.160 for criminal justice information and a national criminal history record check. The Alaska Vocational Technical Center shall forward the fingerprints and fees to the Department of Public Safety to obtain a report of criminal justice information under AS 12.62 and a national criminal history record check under AS 12.62.400 for the purpose of determining whether the individual is qualified to serve as an instructor.

\* **Sec. 7.** AS 23.20.135(b) is amended to read:

(b) The department, or a designee of the department, shall immediately deposit, upon receipt, all money payable to the fund in the clearing account. Refunds of contributions erroneously collected and payable under AS 23.20.225 and 23.20.526(a)(11) may be paid from the clearing account in the same manner, or from the training and building fund. Interest and penalty payments may not be refunded from the unemployment compensation fund. After clearance, all money in the clearing account [, EXCEPT FOR THAT PORTION OF EMPLOYEE CONTRIBUTIONS UNDER AS 23.20.290(d) USED TO PAY INTEREST ON ADVANCES RECEIVED UNDER AS 23.20.140,] shall be immediately deposited with the United States Secretary of the Treasury to the credit of the account of this state in the unemployment trust fund established and maintained under 42 U.S.C. 1104 (sec. 904, Social Security Act), as amended.

\* **Sec. 8.** AS 23.20.290(c) is amended to read:

(c) The rate of contributions for each employer is a percentage of the average benefit cost rate multiplied by the employer's experience factor set out in column C of the table in this subsection opposite the employer's applicable rate class set out in column A plus the fund solvency adjustment surcharge required under (f) of this section. That percentage is 76 percent beginning January 1, 2009, [AND] 73 percent

beginning January 1, 2010, and 100 percent beginning January 1, 2027.

Notwithstanding any other provision of this chapter, including the application of credits [HOWEVER], the rate of contributions for an employer

(1) may not exceed [BE LESS THAN ONE PERCENT OR MORE THAN] six and one-half percent;

(2) may not be less than zero percent;

(3) with less than four quarters of experience may not be less than one percent;

(4) [. THE RATE OF CONTRIBUTIONS FOR AN EMPLOYER] in rate class 21 may not be less than 5.4 percent; and

(5) [. THE RATE OF CONTRIBUTIONS FOR AN EMPLOYER] must be rounded to the nearest 1/100th of one percent.

COLUMN A Rate Class	COLUMN B		COLUMN C
	Cumulative		Experience
	Ratable Payroll		Factor
	at least	but less than	
	(percent)	(percent)	
1		5	.40
2	5	10	.45
3	10	15	.50
4	15	20	.55
5	20	25	.60
6	25	30	.65
7	30	35	.70
8	35	40	.80
9	40	45	.90
10	45	50	1.00
11	50	55	1.00
12	55	60	1.10
13	60	65	1.20
14	65	70	1.30

1	15	70	75	1.35
2	16	75	80	1.40
3	17	80	85	1.45
4	18	85	90	1.50
5	19	90	95	1.55
6	20	95	99.99	1.60
7	21	99.99		1.65.

\* **Sec. 9.** AS 23.20.350(d) is amended to read:

(d) An individual who is eligible under (a) of this section is entitled to receive the weekly benefit amount set out in column (B) of the table in this subsection that is opposite the amount set out in column (A) of the individual's base period wages determined under (c) of this section:

(A)		(B)
Base Period Wages		Weekly Benefit
		Amount
At least	But less than	
0	2,500	\$ 0
2,500	2,750	56
2,750	3,000	58
3,000	3,250	60
3,250	3,500	62
3,500	3,750	64
3,750	4,000	66
4,000	4,250	68
4,250	4,500	70
4,500	4,750	72
4,750	5,000	74
5,000	5,250	76
5,250	5,500	78
5,500	5,750	80
5,750	6,000	82

1	6,000	6,250	84
2	6,250	6,500	86
3	6,500	6,750	88
4	6,750	7,000	90
5	7,000	7,250	92
6	7,250	7,500	94
7	7,500	7,750	96
8	7,750	8,000	98
9	8,000	8,250	100
10	8,250	8,500	102
11	8,500	8,750	104
12	8,750	9,000	106
13	9,000	9,250	108
14	9,250	9,500	110
15	9,500	9,750	112
16	9,750	10,000	114
17	10,000	10,250	116
18	10,250	10,500	118
19	10,500	10,750	120
20	10,750	11,000	122
21	11,000	11,250	124
22	11,250	11,500	126
23	11,500	11,750	128
24	11,750	12,000	130
25	12,000	12,250	132
26	12,250	12,500	134
27	12,500	12,750	136
28	12,750	13,000	138
29	13,000	13,250	140
30	13,250	13,500	142
31	13,500	13,750	144

1	13,750	14,000	146
2	14,000	14,250	148
3	14,250	14,500	150
4	14,500	14,750	152
5	14,750	15,000	154
6	15,000	15,250	156
7	15,250	15,500	158
8	15,500	15,750	160
9	15,750	16,000	162
10	16,000	16,250	164
11	16,250	16,500	166
12	16,500	16,750	168
13	16,750	17,000	170
14	17,000	17,250	172
15	17,250	17,500	174
16	17,500	17,750	176
17	17,750	18,000	178
18	18,000	18,250	180
19	18,250	18,500	182
20	18,500	18,750	184
21	18,750	19,000	186
22	19,000	19,250	188
23	19,250	19,500	190
24	19,500	19,750	192
25	19,750	20,000	194
26	20,000	20,250	196
27	20,250	20,500	198
28	20,500	20,750	200
29	20,750	21,000	202
30	21,000	21,250	204
31	21,250	21,500	<u>207</u> [206]

1	21,500	21,750	<u>209</u> [208]
2	21,750	22,000	<u>212</u> [210]
3	22,000	22,250	<u>214</u> [212]
4	22,250	22,500	<u>216</u> [214]
5	22,500	22,750	<u>219</u> [216]
6	22,750	23,000	<u>221</u> [218]
7	23,000	23,250	<u>224</u> [220]
8	23,250	23,500	<u>226</u> [222]
9	23,500	23,750	<u>228</u> [224]
10	23,750	24,000	<u>231</u> [226]
11	24,000	24,250	<u>233</u> [228]
12	24,250	24,500	<u>236</u> [230]
13	24,500	24,750	<u>238</u> [232]
14	24,750	25,000	<u>240</u> [234]
15	25,000	25,250	<u>243</u> [236]
16	25,250	25,500	<u>245</u> [238]
17	25,500	25,750	<u>248</u> [240]
18	25,750	26,000	<u>250</u> [242]
19	26,000	26,250	<u>252</u> [244]
20	26,250	26,500	<u>255</u> [246]
21	26,500	26,750	<u>257</u> [248]
22	26,750	27,000	<u>260</u> [250]
23	27,000	27,250	<u>262</u> [252]
24	27,250	27,500	<u>264</u> [254]
25	27,500	27,750	<u>267</u> [256]
26	27,750	28,000	<u>269</u> [258]
27	28,000	28,250	<u>272</u> [260]
28	28,250	28,500	<u>274</u> [262]
29	28,500	28,750	<u>276</u> [264]
30	28,750	29,000	<u>279</u> [266]
31	29,000	29,250	<u>281</u> [268]

1	29,250	29,500	<u>284</u> [270]
2	29,500	29,750	<u>286</u> [272]
3	29,750	30,000	<u>288</u> [274]
4	30,000	30,250	<u>291</u> [276]
5	30,250	30,500	<u>293</u> [278]
6	30,500	30,750	<u>296</u> [280]
7	30,750	31,000	<u>298</u> [282]
8	31,000	31,250	<u>300</u> [284]
9	31,250	31,500	<u>303</u> [286]
10	31,500	31,750	<u>305</u> [288]
11	31,750	32,000	<u>308</u> [290]
12	32,000	32,250	<u>310</u> [292]
13	32,250	32,500	<u>313</u> [294]
14	32,500	32,750	<u>315</u> [296]
15	32,750	33,000	<u>317</u> [298]
16	33,000	33,250	<u>320</u> [300]
17	33,250	33,500	<u>322</u> [302]
18	33,500	33,750	<u>325</u> [304]
19	33,750	34,000	<u>327</u> [306]
20	34,000	34,250	<u>329</u> [308]
21	34,250	34,500	<u>332</u> [310]
22	34,500	34,750	<u>334</u> [312]
23	34,750	35,000	<u>337</u> [314]
24	35,000	35,250	<u>339</u> [316]
25	35,250	35,500	<u>341</u> [318]
26	35,500	35,750	<u>344</u> [320]
27	35,750	36,000	<u>346</u> [322]
28	36,000	36,250	<u>349</u> [324]
29	36,250	36,500	<u>351</u> [326]
30	36,500	36,750	<u>353</u> [328]
31	36,750	37,000	<u>356</u> [330]

1	37,000	37,250	<u>358</u> [332]
2	37,250	37,500	<u>361</u> [334]
3	37,500	37,750	<u>363</u> [336]
4	37,750	38,000	<u>365</u> [338]
5	38,000	38,250	<u>368</u> [340]
6	38,250	38,500	<u>370</u> [342]
7	38,500	38,750	<u>373</u> [344]
8	38,750	39,000	<u>375</u> [346]
9	39,000	39,250	<u>377</u> [348]
10	39,250	39,500	<u>380</u> [350]
11	39,500	39,750	<u>382</u> [352]
12	39,750	40,000	<u>385</u> [354]
13	40,000	40,250	<u>387</u> [356]
14	40,250	40,500	<u>389</u> [358]
15	40,500	40,750	<u>392</u> [360]
16	40,750	41,000	<u>394</u> [362]
17	41,000	41,250	<u>397</u> [364]
18	41,250	41,500	<u>399</u> [366]
19	41,500	41,750	<u>401</u> [368]
20	41,750	42,000	<u>404</u> [370]
21	42,000	<u>42,250</u>	<u>406</u>
22	<u>42,250</u>	<u>42,500</u>	<u>409</u>
23	<u>42,500</u>	<u>42,750</u>	<u>411</u>
24	<u>42,750</u>	<u>43,000</u>	<u>413</u>
25	<u>43,000</u>	<u>43,250</u>	<u>416</u>
26	<u>43,250</u>	<u>43,500</u>	<u>418</u>
27	<u>43,500</u>	<u>43,750</u>	<u>421</u>
28	<u>43,750</u>	<u>44,000</u>	<u>423</u>
29	<u>44,000</u>	<u>44,250</u>	<u>425</u>
30	<u>44,250</u>	<u>44,500</u>	<u>428</u>
31	<u>44,500</u>	<u>44,750</u>	<u>430</u>

1	<u>44,750</u>	<u>45,000</u>	<u>433</u>
2	<u>45,000</u>	<u>45,250</u>	<u>435</u>
3	<u>45,250</u>	<u>45,500</u>	<u>438</u>
4	<u>45,500</u>	<u>45,750</u>	<u>440</u>
5	<u>45,750</u>	<u>46,000</u>	<u>442</u>
6	<u>46,000</u>	<u>46,250</u>	<u>445</u>
7	<u>46,250</u>	<u>46,500</u>	<u>447</u>
8	<u>46,500</u>	<u>46,750</u>	<u>450</u>
9	<u>46,750</u>	<u>47,000</u>	<u>452</u>
10	<u>47,000</u>	<u>47,250</u>	<u>454</u>
11	<u>47,250</u>	<u>47,500</u>	<u>457</u>
12	<u>47,500</u>	<u>47,750</u>	<u>459</u>
13	<u>47,750</u>	<u>48,000</u>	<u>462</u>
14	<u>48,000</u>	<u>48,250</u>	<u>464</u>
15	<u>48,250</u>	<u>48,500</u>	<u>466</u>
16	<u>48,500</u>	<u>48,750</u>	<u>469</u>
17	<u>48,750</u>	<u>49,000</u>	<u>470</u>
18	<u>49,000</u>		<u>470</u> [370].

19 \* **Sec. 10.** AS 23.20.350 is amended by adding a new subsection to read:

20 (h) On January 1 of each year, the department shall increase the maximum  
21 base period wages in (d) of this section by a percentage equal to the percentage  
22 increase in the base of contributions calculated under AS 23.20.175 in comparison to  
23 the base contributions calculated for the prior year. The new base period wage amount  
24 shall be rounded to the nearest \$250. The department shall increase the corresponding  
25 weekly benefit amount in (d) of this section by \$2 for each \$250 increase in base  
26 period wages. The department may not decrease the base period wage amount of the  
27 weekly benefit amount.

28 \* **Sec. 11.** AS 23.20.526(a) is amended to read:

29 (a) In this chapter, unless the context otherwise requires, "employment" does  
30 not include

31 (1) domestic service in a private home, except as provided in

1 AS 23.20.525(a)(13);

2 (2) newsboys' services in selling or distributing newspapers on the  
3 street or from house to house;

4 (3) service not in the course of the employing unit's trade or business  
5 performed in a calendar quarter by an individual, unless the cash remuneration paid  
6 for the service is \$50 or more and the service is performed by an individual who is  
7 regularly employed by the employing unit to perform the service; an individual is here  
8 considered to be regularly employed to perform service not in the course of an  
9 employing unit's trade or business during a calendar quarter only if the individual  
10 performs the service for some portion of the day on each of 24 days during the quarter  
11 or during the preceding calendar quarter;

12 (4) service performed by an individual in the employ of the  
13 individual's

14 (A) son, daughter, or spouse;

15 (B) parent or legal guardian if the individual was under the age  
16 of 21 years and a full-time student during eight of the last 12 months and  
17 intends to resume full-time student status within the next four months; and

18 (C) mother or father if the service is performed by a child under  
19 the age of 18;

20 (5) service with respect to which unemployment insurance is payable  
21 under an unemployment insurance program established by an Act of Congress;

22 (6) service performed in the employ of a foreign government including  
23 service as a consular or other officer or employee or a nondiplomatic representative;

24 (7) service performed in the employ of an instrumentality wholly  
25 owned by a foreign government if

26 (A) the service is of a character similar to that performed in  
27 foreign countries by employees of the United States government or its  
28 instrumentalities; and

29 (B) the department finds that the United States Secretary of  
30 State has certified to the United States Secretary of the Treasury that the  
31 foreign government, with respect to whose instrumentality exemption is

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31

claimed, grants an equivalent exemption with respect to similar service performed in the foreign country by employees of the United States government and its instrumentalities;

(8) service performed by an insurance agent, insurance solicitor, real estate broker, real estate salesperson, or securities salesperson to the extent the person is compensated by commission, unless the service is required to be covered under the Federal Unemployment Tax Act, as amended;

(9) notwithstanding AS 23.20.525(a)(9), service performed by an officer or member of the crew of an American vessel on or in connection with the vessel, if the operating office, from which the operations of the vessel operating on navigable waters inside or inside and outside the United States are ordinarily and regularly supervised, managed, directed, and controlled, is outside this state;

(10) service performed on or in connection with a vessel not an American vessel by an individual if the individual performed service on and in connection with the vessel when outside the United States;

(11) service performed in the employ of the United States government or an instrumentality of the United States exempt under the Constitution of the United States from the contributions imposed by this chapter, except that to the extent that the Congress of the United States permits states to require an instrumentality of the United States to make payments into an unemployment fund under a state employment security law, all of the provisions of this chapter apply to the instrumentalities, and to service performed for the instrumentalities in the same manner, to the same extent, and on the same terms as to all other employers, employing units, individuals, and service; however, if this state is not certified for any year by the United States Secretary of Labor under 26 U.S.C. 3304(c) (Federal Unemployment Tax Act, Internal Revenue Code), the payments required of the instrumentalities with respect to the year shall be refunded by the department from the fund in the same manner and within the same period as is provided in AS 23.20.225 with respect to contributions erroneously collected;

(12) service performed in the employ of another state, or political subdivision of another state, or an instrumentality of another state or political

1 subdivision that is wholly owned by another state or its political subdivision, or a  
 2 service performed in the employ of an instrumentality of another state or its political  
 3 subdivisions to the extent that the instrumentality is, with respect to the service,  
 4 exempt under the Constitution of the United States from the tax imposed by 26 U.S.C.  
 5 3301 (Federal Unemployment Tax Act, Internal Revenue Code);

6 (13) service performed in the employ of an international organization;

7 (14) service covered by an election approved by the agency charged  
 8 with the administration of any other state or federal employment security law, in  
 9 accordance with an arrangement under AS 23.20.090(a) during the effective period of  
 10 the election;

11 (15) service performed by an individual in agricultural labor, except as  
 12 provided in AS 23.20.525(a)(14); the term "agricultural labor" means remunerated  
 13 service

14 (A) on a farm, in the employ of any person in connection with  
 15 cultivating the soil, or in connection with raising or harvesting any agricultural  
 16 or horticultural commodity, including the raising, shearing, feeding, caring for,  
 17 training, and management of livestock, bees, poultry, and fur-bearing animals  
 18 and wildlife;

19 (B) in the employ of the owner or tenant or other operator of a  
 20 farm, in connection with the operation, management, conservation,  
 21 improvement, or maintenance of the farm and its tools and equipment, or in  
 22 salvaging timber or clearing land of brush and other debris left by a hurricane,  
 23 if the major part of the service is performed on a farm;

24 (C) in connection with the production or harvesting of any  
 25 commodity defined as an agricultural commodity in 12 U.S.C. 1141j (Sec.  
 26 15(g), Agricultural Marketing Act), as amended, or in connection with the  
 27 operation or maintenance of ditches, canals, reservoirs, or waterways, not  
 28 owned or operated for profit, used exclusively for supplying and storing water  
 29 for farming purposes;

30 (D) in the employ of the operator of a farm in handling,  
 31 planting, drying, packing, packaging, processing, freezing, grading, storing, or

1 delivering to storage or to market or to a carrier for transportation to market, in  
2 its unmanufactured state, any agricultural or horticultural commodity; but only  
3 if the operator produced more than one-half of the commodity with respect to  
4 which the service is performed except as stated in (b) of this section;

5 (E) in the employ of a group of operators of farms, or a  
6 cooperative organization of which the operators are members, in the  
7 performance of service described in (D) of this paragraph, but only if the  
8 operators produced more than one-half of the commodity with respect to which  
9 the service is performed;

10 (F) on a farm operated for profit if the service is not in the  
11 course of the employer's trade or business;

12 (16) service performed as a student nurse in the employ of a hospital or  
13 a nurses' training school by an individual who is enrolled and is regularly attending  
14 classes in a nurses' training school chartered or approved in accordance with the laws  
15 of this state, and service performed as an intern in the employ of a hospital by an  
16 individual who has completed a four-year course in a medical school chartered or  
17 approved in accordance with the laws of this state, unless the service is required to be  
18 covered under the Federal Unemployment Tax Act;

19 (17) service performed by an individual on a boat engaged in catching  
20 fish or other forms of aquatic animal life under an arrangement with the owner or  
21 operator of that boat under which

22 (A) that individual does not receive any cash remuneration  
23 except as provided in (B) of this paragraph;

24 (B) that individual receives a share of the boat's, or the boats' in  
25 the case of a fishing operation involving more than one boat, catch of fish or  
26 other forms of aquatic animal life or a share of the proceeds from the sale of  
27 that catch; and

28 (C) the amount of that individual's share depends on the  
29 amount of the boat's, or the boats' in the case of a fishing operation involving  
30 more than one boat, catch of fish or other forms of aquatic animal life; but only  
31 if the operating crew of that boat, or each boat from which the individual

1 receives a share in the case of a fishing operation involving more than one  
2 boat, is normally made up of fewer than 10 individuals;

3 (18) service performed as a prospective or impaneled juror in a court;

4 (19) service performed for a corporation by an employee of the  
5 corporation if

6 (A) the corporation is incorporated under AS 10.06;

7 (B) the corporation is not a government corporation; and

8 (C) the employee is an executive officer of the corporation;

9 (20) service performed by an individual who drives a taxicab whose  
10 compensation and written contractual arrangements are as described in  
11 AS 23.10.055(a)(13);

12 (21) service of an individual who

13 (A) directly sells or solicits the sale of consumer products, for  
14 resale or otherwise, personally to a prospective consumer in the home or  
15 otherwise than in a permanent retail establishment; a sale or solicitation by  
16 telephone, mail, other telecommunications method, or other nonpersonal  
17 method does not satisfy the requirement of this subparagraph;

18 (B) is compensated solely by

19 (i) commissions on sales or other remuneration directly  
20 related to sales or sales performance; or

21 (ii) a profit represented by the difference between the  
22 wholesale cost of the product to the seller and the final sale price to the  
23 consumer; and

24 (C) performs under a written contract with the person for whom  
25 the service is performed that provides, notwithstanding AS 23.20.395(a), that  
26 the individual is not an employee for purposes of this chapter or for federal or  
27 state tax purposes;

28 (22) temporary services related to emergency oil spill training and  
29 response activities by an individual described in (17) of this subsection; in this  
30 paragraph, "temporary" means a period of less than seven continuous days; and

31 (23) service [VOLUNTEER WORK] performed by an independent

1 **contractor** [A PERSON ENGAGED ON A CONTRACT BASIS] as a sports official  
 2 at a sports event for which the competitors are not paid a wage or salary; however, the  
 3 exemption provided under this paragraph does not apply to a claim for benefits under  
 4 this chapter that is related to a sports event or competition sponsored by an employer  
 5 for whom the person making the claim normally performs work, including work as a  
 6 teacher, coach, or administrator, that is not sports official work; in this paragraph,

7 (A) "sports official" is a participant in a sports event or  
 8 competition whose participation is neutral with respect to who wins or loses,  
 9 including an umpire, referee, judge, scorekeeper, timekeeper, or organizer;

10 (B) **"independent contractor" means a sports official**

11 **(i) working under a written contract between the**  
 12 **sports official and the party or association engaging the sports**  
 13 **official's services that specifically states the sports official is an**  
 14 **independent contractor;**

15 **(ii) who is paid based on a set fee for each game**  
 16 **officiated;**

17 **(iii) who is free under the terms of the contract to**  
 18 **accept or reject assignments of any game;**

19 **(iv) who is not limited to exclusively officiating with**  
 20 **the party engaging the services of the sports official**

21 ["VOLUNTEER WORK" MEANS WORK FOR WHICH  
 22 COMPENSATION DOES NOT EXCEED \$1,500 A YEAR AND IS  
 23 PAID ONLY TO DEFRAY OR REIMBURSE THE REASONABLE  
 24 FOOD, TRAVEL, AND INCIDENTAL EXPENSES THE PERSON  
 25 INCURS IN ORDER TO PERFORM THE WORK OR AS A RESULT  
 26 OF PERFORMING THE WORK].

27 \* **Sec. 12.** AS 23.30.240 is amended to read:

28 **Sec. 23.30.240. Officers of corporations, municipal corporations, and**  
 29 **nonprofit corporations, and members of limited liability companies as employees.**

30 (a) Except as provided in (b) of this section, an executive officer elected or appointed  
 31 and empowered in accordance with the charter and bylaws of a corporation; **a**

1 **member, director, or principal officer of a cooperative organized under AS 10.15;**  
2 or a member of a limited liability company organized under AS 10.50 is not an  
3 employee of the business entity under this chapter if the executive officer, **principal**  
4 **officer, director,** or member owns at least 10 percent of the business entity. Except as  
5 provided in (b) of this section, an executive officer of a municipal corporation or  
6 charitable, religious, educational, or other nonprofit corporation is not an employee of  
7 the corporation under this chapter.

8 (b) Any type of corporation, **cooperative,** or limited liability company may  
9 bring an executive officer, **principal officer, director,** or a member exempted under  
10 (a) of this section within the coverage of the business entity's insurance contract by  
11 specifically including the executive officer or member in the contract of insurance.  
12 The election to bring the executive officer, **principal officer, director,** or member  
13 within the business entity's coverage continues in force for the period during which the  
14 contract of insurance is in effect. During that period, an executive officer, **principal**  
15 **officer, director,** or a member brought within the coverage of the insurance contract is  
16 an employee of the business entity under this chapter.

17 \* **Sec. 13.** AS 23.15.630(b), 23.15.835(b); and AS 23.20.290(d) are repealed.

18 \* **Sec. 14.** The uncodified law of the State of Alaska is amended by adding a new section to  
19 read:

20 APPLICABILITY. AS 23.15.630(a), as amended by sec. 2 of this Act, applies to  
21 contracts entered into on or after the effective date of sec. 2 of this Act.

22 \* **Sec. 15.** The uncodified law of the State of Alaska is amended by adding a new section to  
23 read:

24 TRANSITION: BACKGROUND CHECKS. Notwithstanding AS 12.62.400(a)(26),  
25 added by sec. 1 of this Act, and AS 23.15.845, added by sec. 6 of this Act, a person who, on  
26 the day before the effective date of secs. 1 and 6 of this Act, is serving as an instructor at the  
27 Alaska Vocational Technical Center may continue to serve as an instructor without obtaining  
28 the criminal background check required under AS 23.15.845, added by sec. 6 of this Act, until  
29 July 1, 2027.

30 \* **Sec. 16.** The uncodified law of the State of Alaska is amended by adding a new section to  
31 read:

1 STATE UNEMPLOYMENT INSURANCE LAW FEDERAL APPROVAL. To the  
2 extent necessary to implement this Act, the Department of Labor and Workforce  
3 Development shall submit for federal approval the changes to the unemployment insurance  
4 laws of the state enacted by secs. 3 - 5, 7 - 11, and 13 of this Act.

5 \* **Sec. 17.** The uncodified law of the State of Alaska is amended by adding a new section to  
6 read:

7 CONDITIONAL EFFECT; NOTIFICATION. (a) Sections 3 - 5, 7 - 11, and 13 of this  
8 Act take effect only if, on or before July 1, 2027, the United States Secretary of Labor  
9 approves the change to the unemployment insurance laws of this state under 26 U.S.C. 3304  
10 (Federal Unemployment Tax Act).

11 (b) The commissioner of labor and workforce development shall notify the revisor of  
12 statutes in writing within 30 days after the United States Secretary of Labor approves or  
13 denies the change to the unemployment insurance laws of this state.

14 \* **Sec. 18.** If secs. 3 - 5, 7 - 11, and 13 of this Act take effect, they take effect on January 1,  
15 2027, or the day after the United States Secretary of Labor approves the change to the  
16 unemployment insurance laws of this state, whichever is later.

17 \* **Sec. 19.** Section 16 of this Act takes effect immediately under AS 01.10.070(c).

18 \* **Sec. 20.** Except as provided in secs. 18 and 19 of this Act, this Act takes effect January 1,  
19 2027.