



Representative Carolyn Hall

House District 16 | Turnagain, Spenard and Sand Lake

House Bill 193

Explanation of Changes

Version H (34-LS0612\H) to Version L (34-LS0612\L)

April 15th, 2026

HB 193 has been amended to address technical concerns from the State Department of Labor and Workforce Development (DOLWD) about the need to make implementation of the paid parental leave program conditional based upon the federal government's acceptance of the concurrent changes in the state's unemployment insurance statutes. It also references federal Unemployment Insurance (UI) and related tax laws, incorporates sections on reimbursable employers, and establishes how employee contributions are withdrawn and accounted for. The amendments ensure compliance with key federal laws.

Title Page 1, Line 1: Eliminates the phrase "special employer contributions" and replaces it with "employer surcharges."

Title Page 1, Lines 4 and 5: Adds "relating to employee unemployment tax credits; and "relating to employer contributions to unemployment" to the bill's title.

Section 1, Page 2, Line 2: Removes AS 23.20.290(g) in previous Version H.

Section 1, Page 2, Line 7: Renames section title to "Contributions or reimbursement payments for paid parental leave program."

Section 1, Page 2, Lines 14-17: Removes reference to employee contributions to UI; adds AS 23.10.710(b) which extends paid parental leave benefits to the employees of government entities, non-profit organizations, and federally recognized tribes. These employers do not contribute to the program through participation in UI but instead make reimbursement payments to the paid parental leave program. This provision did not appear in Version H.



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Section 1, Page 3, Line 28 – 31: AS 23.10.725 language is redrafted to clarify the intent that eligibility earning threshold is the same as that used for unemployment insurance described in AS 23.20.350(a).

Section 2, Page 10, Lines 26 – 3; Page 11, Line 1: Removes previous version of section as no longer conforming based on other redrafting in this version. Makes conforming changes to AS 23.10.710 conditioned upon approval from the US Department of Labor and AS 23.20.290(d) (employee contributions to UI).

Section 3, Page 11, Line 2 – 26: AS 23.10.710. New sections (d) and (e) move the employer paid parental leave surcharge and credit from the unemployment program (Sec. 4 AS 23.20.291(g)(1) and (h) in the H version) to the paid parental leave chapter of statute. These contributions/credits are moved and redrafted to conform to federal requirements. Sec. 4 AS 23.20.290(i) from Version H is removed from this draft because it did not conform to federal requirements.

Section 4, page 11, Lines 15-20: This will provide an employee tax credit to off-set their paid parental leave contribution, similar to the credit process in statute used in both STEP and TVEP.

Section 5, Page 11, Lines 21 – 27: Conforming changes conditioned on approval by the USDOL of this bill's repeal of AS 23.20.290 (d).

Section 6, Page 11, Lines 28 – 31; Page 12 Lines 1-9: Moves the employer surcharge for the state training and employment program (STEP) from CSHB 193\H Section 4 AS 23.20.290(g) and (h) instead placing it in AS 23.15.630. Language conforms with direction from DOLWD to ensure compliance with federal requirements. Gives calculation direction to DOLWD to accommodate the employer contribution to paid parental leave in Section 3 if the US DOL approves it so that it can be implemented. The UI rate reduction from CSHB 193\H AS 23.20.290(i) removed due to non-compliance with federal requirements. Adds conditional effective date.



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Section 7, Page 12, Lines 10-16: Conforming changes conditioned on approval by the USDOL of the repeal of AS 23.20.290 (d).

Section 8, Page 12, Lines 17 – 29: Conforming changes conditioned on approval by the USDOL of the repeal of AS 23.20.290 (d).

Section 9, Page 13, Line 5 -16: Removes the minimum contribution rate of 1% for employers with more than one year experience and clarifies that the employer tax rate cannot go below zero. This sets the ceiling and lowers the floor to zero. Includes conforming language to reflect there will not be employee contributions to the UI fund. This does not increase the employer's contribution rate but only makes a conforming change.

Section 15, Page 10, Line 11: Repeals the employee UI contribution and conforming tax credits for STEP and TVEP; has a conditional effective date.

Section 19, Page 28, Line 28: Adds conditional language applicable to all sections of the bill that require approval of the US Department of Labor before taking effect.

Section 20, Page 29, Line 10 – 12: Same as above.

Section 21, Page 29, Line 16: Section (b) provides that AS 23.10.710(f) of this bill goes into effect only if the US DOL does not approve the repeal of AS 23.10.290(d), in Section 15 of the Act. This is a conforming change to ensure all parts of the bill that do not require USDOL approval may go into effect and be functional should the USDOL approval not occur.