



Representative Carolyn Hall

House District 16 | Turnagain, Spenard and Sand Lake

HB 193
Explanation of Changes
May 11, 2026
Version L to Version S

HB 193 has been amended to address policy issues raised by stakeholders and the State Department of Labor & Workforce Development (DOLWD). These changes impact subjects such as: the amount of employer contributions; which businesses are exempt from participation in the Paid Parental Leave (PPL) program; the duration and amount of PPL benefits; in which account the PPL fund will be held; and, effective dates for various parts of the bill. These changes are designed to extend the benefits to as many recipients as possible while ensuring the financial solvency of the Unemployment Insurance, State Training and Employment Program (STEP) and PPL funds.

Section 1

Sec. 23.10.705, Page 2: Removes the description of the Paid Parental Leave fund account as being in the general fund and instead establishes it as a separate fund in the state treasury. Language was added specifying that the legislature may appropriate the annual estimated funds, plus interest from the account, to DOLWD to carry out the statute's purpose; and clarifies that the funds do not lapse. This change prevents the funds from being swept, in that it also deletes the requirement to remit money collected in accordance with AS 37.10.050.

Sec. 23.10.710, Page 2, Line 19– 21: Inserts new subsection (d) requiring creation of regulations to permit employers who are exempt from participating in the paid parental leave program to opt into the program.

Sec. 23.10.725, Page 4 Line 1 – 3: Adds the requirement that employees who work for employers of fewer than 25 employees cannot participate in PPL. This amendment is intended to protect small businesses from the adverse impacts of having to keep positions vacant while employees are taking leave.



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Sec. 23.10.725 Page 4, Line 26: Shortens the duration of benefits from 8 to 26 weeks to 8 to 12 weeks. The specific number of weeks will be determined by the DOLWD based upon fund solvency.

Sec. 23.10.735, Page 5, following line 25: Inserts subsection (c) requiring adoption of regulations creating a process for employers to request to opt out of PPL if they have a similar program which meets or exceeds the terms of the PPL program, and provides an appeal process. The program's terms must be described in a collective bargaining agreement, employment contract or employer policy.

Sec. 23.10.795, Page 11, Lines 3-5: Exempts employees hired for 6 months or less from participation in paid parental leave. This change is related to peak business need, i.e., seasonal employees.

Section 3, Page 11, Line 27: Inserts "above .60 percent". This section addresses the credit employers receive for the amount of the paid parental leave surcharge paid above .60% of their Unemployment Insurance contribution.

Section 6, Page 12, Lines 16 and 22: Deletes previous employer surcharge amounts, inserting .30% for the STEP program. (Employers do not contribute to the Alaska Technical Vocational Education Program (TVEP).)

Section 9, Page 13, Line 25: Replaces zero with .30 percent, as the rate of contribution to Unemployment Insurance for employers. This change helps to fund the Paid Parental leave program and contributes to prolonging the solvency of the Unemployment Insurance Trust Fund.

Section 10, Page 21, following line 28: Deletes all materials relative to an individual's base period wages in excess of \$54,500, with corresponding weekly benefit amount. The previous PPL benefit used the maximum UI base period wage rate of \$85,000 with a weekly benefit amount of \$817. This reduction is intended to provide a needed increase to the current \$370 UI weekly benefit rate (which has not changed since 2009) while preserving the solvency of the UI Trust Fund longer. The highest base period wage for determining Unemployment Insurance and PPL benefits is now \$54,500.



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Section 12, Page 22: Deletes language using the Consumer Price Index to calculate increases in weekly benefits for eligible dependents, replacing it with an annual UI benefit adjustment to the maximum base period wages by a percentage equal to the percentage in the base of contributions calculated under AS 23.20.175 in comparison to the base contributions calculated for the prior year. This will more accurately pay benefits in accordance with changes in wages, rather than changes in prices. The change will also help prevent future incidences of over-capitalization of the UI fund.

Section 16, Page 24, Line 31 to page 25, line 1: Deletes the benefit payment effective date "2027" and replaces it with "2029". This change extends the effective date for payment of Paid Parental Leave benefits to allow the Paid Parental Leave Fund to become capitalized. The two additional years will also give DOLWD time to create the administrative and programming changes needed to administer the new benefit and inform employers and employees of the new program.