



ALASKA STATE LEGISLATURE

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Senate Bill 21

Sectional Analysis

Version 34-LS0254\T

Section 1 AS 43.23 is amended by adding a new section, AS 43.23.058.

- Subsection (a) states that a recipient of a permanent fund dividend may direct the Permanent Fund Division to deposit all or part of that dividend into an investment account.
- Subsection (b) directs the Department of Revenue to design the permanent fund dividend application to allow direct deposits into investment accounts.
- Subsection (c) prohibits the Department of Revenue from withholding a fee for contributions made into an investment account.

Section 2 establishes that money can be subtracted from the Permanent Fund dividend payment and contributed to the Alaska Work and Save Program participant account.

Section 3 establishes that the Alaska Work and Save Program is one of the eligible programs under the contribution list for the PFD.

Section 4 prohibits the department from withholding a coordination fee for contributions to the Alaska Work and Save Program participant account.

Section 5 Establishes the Alaska Work and Save Program under the Department of Revenue.

- New AS 44.25.400 is the language of the program:
 - Subsection (b) states that an employer that does not offer a qualified retirement plan shall facilitate participation of their employees in the program.
 - Subsection (c) states that under the program,
 - An eligible employee is automatically enrolled in the program. Their default contribution rate increases at a rate established by the administrator.
 - An employee can opt out of the program or set different contribution rates.
 - Any person who earns compensation in Alaska can voluntarily enroll in the program.
 - Subsection (d) Specific rates of return are not guaranteed. The state is not liable for loss from participation in the program.
 - Subsection (e) Employers may still set up their own retirement plans.

- New AS 44.25.410 establishes the purpose of the program and the administrator’s mission.
 - Develop the program, adopt regulations to implement the program, conduct market research, and administer the program.
- New AS 44.25.420 establishes powers and duties of the administrator.
 - Subsection (a) establishes the bounds of what will be required of the administrator.
 - Subsection (b) establishes what the board may or may not do.
- New AS 44.25.430 establishes:
 - Individuals’ information shall be confidential.
- New AS 44.25.440 establishes:
 - An employee may file a complaint with the administrator alleging that an employer has failed to facilitate employee participation in the program.
- New AS 44.25.490 provides definitions.

Section 6 Sets an effective date of January 1, 2027.