

SENATE BILL NO. 12

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY SENATOR DUNBAR

Introduced: 1/22/25

Referred: Judiciary, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to permanent fund dividends for individuals owing child support; and**
2 **relating to applications and qualifications for permanent fund dividends for individuals**
3 **owing child support."**

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

5 * **Section 1.** AS 11.51.120 is amended by adding a new subsection to read:

6 (g) For purposes of (d) of this section, a permanent fund dividend applied for
7 and claimed by an individual owed child support under AS 43.23.005(i) or distributed
8 to an individual owed child support under AS 43.23.005(j) is counted as a child
9 support payment.

10 * **Sec. 2.** AS 25.27.020(a) is amended to read:

11 (a) The agency shall

12 (1) seek enforcement of child support orders of the state in other
13 jurisdictions and shall obtain, enforce, and administer the orders in this state;

14 (2) adopt regulations to carry out the purposes of this chapter and

1 AS 25.25, including regulations that establish

2 (A) procedures for hearings conducted under AS 25.27.170 and
3 for administrative enforcement of support orders;

4 (B) subject to AS 25.27.025 and to federal law, a uniform rate
5 of interest on arrearages of support that shall be charged the obligor upon
6 notice if child support payments are 10 or more days overdue or if payment is
7 made by a check backed by insufficient funds; however, an obligor may not be
8 charged interest on late payment of a child support obligation, other than a
9 payment on arrearages, if the obligor is

10 (i) employed and income is being withheld from the
11 obligor's wages under an income withholding order;

12 (ii) receiving unemployment compensation and child
13 support obligations are being withheld from the obligor's
14 unemployment payments under AS 23.20.401; or

15 (iii) receiving compensation for disabilities under
16 AS 23.30 and child support obligations are being withheld from the
17 obligor's compensation payments;

18 (C) procedures for establishing and disestablishing paternity
19 under AS 25.27.165 and 25.27.166, including procedures for hearings; and

20 (D) procedures under which the agency shall enter into
21 contracts or agreements with financial institutions, including brokerage houses,
22 insurance companies, and other companies providing individual investment,
23 transaction, or deposit accounts, doing business in the state to develop and
24 operate an automated data match system as required by 42 U.S.C. 666(a)(17);
25 the agency may pay a reasonable fee to a financial institution for conducting a
26 data match under a contract or agreement under this subparagraph; the fee may
27 not exceed the actual costs incurred by the financial institution for conducting
28 the data match;

29 (3) administer and enforce AS 25.25 (Uniform Interstate Family
30 Support Act);

31 (4) establish, enforce, and administer child support obligations

administratively under this chapter;

(5) administer the state plan required under 42 U.S.C. 651 - 669 (Title IV-D, Social Security Act) as amended;

(6) disburse support payments collected by the agency to the obligee, together with interest charged under (2)(B) of this subsection;

(7) establish and enforce administratively under this chapter, or through the superior courts of the state, child support orders from other jurisdictions pertaining to obligors within the state;

(8) enforce and administer spousal support orders if a spousal support obligation has been established with respect to the spouse and if the support obligation established with respect to the child of that spouse is also being administered;

(9) obtain a medical support order that meets the requirements of AS 25.27.060(c) and 25.27.063;

(10) act on behalf of the Department of Health in the enforcement of AS 47.07.025(b);

(11) establish or disestablish, administratively under AS 25.27.165 - 25.27.166 or through court action, the paternity of a child;

(12) promptly provide to the Bureau of Vital Statistics, in a format approved by the bureau, any final agency decision administratively establishing or disestablishing the paternity of a child born in this state; [AND]

(13) act as the central registry for all child support orders and exchange information as required by federal law; and

(14) between January 1 and March 31 of each year, provide to the Department of Revenue a list of individuals in arrears under a child support order.

* Sec. 3. AS 43.23.005 is amended by adding new subsections to read:

(i) An individual owed child support may apply for and claim a permanent fund dividend on behalf of the individual owing the child support if the individual has a past due child support obligation established by court order or by the child support services agency under AS 25.27.160 - 25.27.220 at the time of application and the individual owing child support has not applied for a dividend for that year. AS 09.38

1 does not apply to a dividend claimed by an individual under this subsection.

2 (j) If, by March 31 of each year, the department has not received an
3 application from an individual on the list of individuals in arrears under a child
4 support order provided under AS 25.27.020(a) or an application for the individual
5 under (i) of this section, the department shall file an application on behalf of the
6 individual. If the individual in arrears under a child support order is determined to be
7 eligible for a permanent fund dividend, the department shall distribute dividend to the
8 individual or individuals owed the child support. AS 09.38 does not apply to a
9 dividend claimed and distributed by the department under this subsection.

10 * **Sec. 4.** AS 43.23.015(c) is amended to read:

11 (c) Except as provided in (d), (k), and (m) of this section or as may be
12 provided by regulations adopted by the department, an individual must personally sign
13 the application for permanent fund dividends, including the certification of residency
14 required under (b) of this section.

15 * **Sec. 5.** AS 43.23.015 is amended by adding new subsections to read:

16 (k) An application and certification of residency filed under AS 43.23.005(i)
17 must be signed by the individual owed the child support. The individual owed the
18 child support may submit, as evidence of residency of the individual owing child
19 support, child support records, motor vehicle records maintained by the Department of
20 Administration, voter registration, evidence of voter activity, utility bills, rental
21 agreements, known addresses, school records, employment records, sworn affidavits
22 from witnesses, Internet or social media records, or similar evidence to demonstrate
23 the residency of the individual owing the child support.

24 (l) The application and certification of residency of an individual filed by the
25 department under AS 43.23.005(j) is not required to be signed.

26 (m) For the purpose of an application filed under AS 43.23.005(i) or (j), the
27 department shall assume that an individual owing child support who has previously
28 qualified for a dividend remains eligible for the dividend, unless the individual owing
29 child support provides proof of ineligibility.

30 * **Sec. 6.** AS 43.23.130 is amended by adding a new subsection to read:

31 (o) An individual owed child support who is filing an application under

1 AS 43.23.005(i) or (j) may not make a contribution under this section from the
2 dividend received from that application.

3 * **Sec. 7.** AS 43.23.140 is amended by adding a new subsection to read:

4 (e) This section does not apply to a dividend received through an application
5 filed under AS 43.23.005(i) or (j). A dividend received through an application filed
6 under AS 43.23.005(i) or (j) is not subject to levy, execution, garnishment, attachment,
7 or another remedy for the collection of debt.

8 * **Sec. 8.** AS 43.23.150 is amended by adding a new subsection to read:

9 (d) The Department of Family and Community Services may not claim a
10 permanent fund dividend under this section that is received as a result of an
11 application filed under AS 43.23.005(i) or (j).

12 * **Sec. 9.** AS 43.23.160 is amended by adding a new subsection to read:

13 (e) The Alaska Commission on Postsecondary Education may not claim a
14 permanent fund dividend under this section that is received as a result of an
15 application filed under AS 43.23.005(i) or (j).

16 * **Sec. 10.** AS 43.23.170 is amended by adding a new subsection to read:

17 (d) The Department of Health may not claim a permanent fund dividend under
18 this section that is received as a result of an application filed under AS 43.23.005(i) or
19 (j).

20 * **Sec. 11.** AS 43.23.180 is amended by adding a new subsection to read:

21 (g) The Department of Labor and Workforce Development may not claim a
22 permanent fund dividend under this section that is received as a result of an
23 application filed under AS 43.23.005(i) or (j).

24 * **Sec. 12.** AS 43.23.190 is amended by adding a new subsection to read:

25 (e) The University of Alaska may not claim a permanent fund dividend under
26 this section that is received as a result of an application filed under AS 43.23.005(i) or
27 (j).

28 * **Sec. 13.** AS 43.23.230 is amended by adding a new subsection to read:

29 (f) An individual who receives a permanent fund dividend as a result of an
30 application filed under AS 43.23.005(i) or (j) may not donate any amount of the
31 dividend under this section.

1 * **Sec. 14.** The uncoded law of the State of Alaska is amended by adding a new section to
2 read:

3 APPLICABILITY. (a) AS 11.51.120(g), added by sec. 1 of this Act, applies to
4 permanent fund dividends received on or after the effective date of this Act.

5 (b) AS 43.23.005(i) and (j), added by sec. 3 of this Act, AS 43.23.015(c), as amended
6 by sec. 4 of this Act, AS 43.23.015(k) - (m), added by sec. 5 of this Act, AS 43.23.130(o),
7 added by sec. 6 of this Act, AS 43.23.140(e), added by sec. 7 of this Act, AS 43.23.150(d),
8 added by sec. 8 of this Act, AS 43.23.160(e), added by sec. 9 of this Act, AS 43.23.170(d),
9 added by sec. 10 of this Act, AS 43.23.180(g), added by sec. 11 of this Act, AS 43.23.190(e),
10 added by sec. 12 of this Act, and AS 43.23.230(f), added by sec. 13 of this Act, apply to the
11 permanent fund dividend 2025 qualifying year for the 2026 dividend year and thereafter.