

**HOUSE BILL NO. 8**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVE SANDERS**

**Introduced: 1/13/97**

**Referred: State Affairs, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to personal permanent fund dividend accounts; and providing  
2 for an effective date."

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

4 \* **Section 1.** AS 43.23 is amended by adding a new section to read:

5 **Sec. 43.23.018. Personal permanent fund dividend accounts.** (a) The  
6 department shall prepare the permanent fund dividend application to allow an applicant  
7 to elect to have the dividend paid into a personal permanent fund dividend account.  
8 The money in a personal account shall be invested by the Alaska Permanent Fund  
9 Corporation subject to AS 37.13.120, but the money is not part of the Alaska  
10 permanent fund and the income may not be included in the computation of net income  
11 under AS 37.13.140. Income earned on the investment of money in a personal account  
12 shall be retained in the personal account and reinvested until it is withdrawn under (b)  
13 or (c) of this section.

14 (b) Five years after an individual elects to have a dividend paid into a personal

1 account, the department shall allow that individual to elect to withdraw the dividend  
2 together with income earned on investment of the dividend or to direct that the money  
3 be retained in the personal account and invested for an additional five-year period. If  
4 an individual elects to have a dividend and income earned on it retained in the  
5 personal account, at the end of each five-year period thereafter until the money is  
6 withdrawn, the department shall provide the individual the choice of withdrawing the  
7 money or having the money again retained in the personal account.

8 (c) If an individual dies without withdrawing all money in the personal  
9 account, the personal representative of the individual's estate may file a claim for the  
10 money on behalf of the individual's estate. The department shall pay the money to the  
11 personal representative within 60 days after receiving a claim under this subsection.

12 The department shall prescribe and furnish an application form for claiming money  
13 under this subsection.

14 \* **Sec. 2.** This Act takes effect January 1, 1998.