

CS FOR SENATE BILL NO. 254(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Offered: 2/11/98

Referred: Judiciary

Sponsor(s): SENATE LABOR AND COMMERCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

**1 "An Act relating to the exemption from levy, execution, garnishment, attachment,
2 or other remedy for the collection of debt as applied to a permanent fund
3 dividend, and to the fee for processing a claim on a dividend."**

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

5 * Section 1. AS 43.23.065(a) is amended to read:

6 (a) Except as provided in (b) of this section, **30** [45] percent of the annual
7 permanent fund dividend payable to an individual is exempt from levy, execution,
8 garnishment, attachment, or any other remedy for the collection of debt. [THIS
9 EXEMPTION APPLIES TO AN ELIGIBLE INDIVIDUAL'S PERMANENT FUND
10 DIVIDEND BOTH BEFORE AND AFTER PAYMENT IS MADE TO THE
11 INDIVIDUAL.] No other exemption applies to a dividend. Notwithstanding other
12 laws, a writ of execution upon a dividend that has not been delivered to the debtor
13 may be served on the commissioner by certified mail, return receipt requested. Upon
14 receipt of a writ by certified mail, return receipt requested, the commissioner shall

1 deliver that portion of the dividend executed upon to the court along with the case
2 name and number.

3 * **Sec. 2.** AS 43.23.071 is amended to read:

4 **Sec. 43.23.071. Fees for processing claims and assignments.** The department
5 shall by regulation adopted under AS 44.62 (Administrative Procedure Act) establish
6 fees [FOR PROCESSING CLAIMS ON DIVIDENDS RECEIVED BY THE
7 DEPARTMENT UNDER AS 43.23.065 OR 43.23.067 AND] for processing
8 assignments of dividends received by the department under AS 43.23.069(b). The fees
9 shall cover the administrative expenses of the department associated with the
10 [CLAIMS AND] assignments. Fees shall be deducted from the amount of the dividend
11 remaining after payment of the portion [CLAIMED OR] assigned or, if the entire
12 dividend is [CLAIMED OR] assigned, the fees shall be deducted before the dividend
13 is paid to the [CREDITOR OR] assignee.

14 * **Sec. 3.** AS 43.23.071 is amended by adding a new subsection to read:

15 (b) To cover the administrative expenses of the department, the court system,
16 and other state agencies for processing a claim on a permanent fund dividend under
17 AS 43.23.065 - 43.23.068, the fee for processing the claim is five percent of the
18 dividend. The fee shall be deducted from the amount of the dividend remaining after
19 payment of the portion claimed, or, if the entire dividend is claimed, the fee shall be
20 deducted before the dividend is paid to the creditor. The fee shall be deposited into
21 the general fund.