

**CS FOR SENATE BILL NO. 338(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

**BY THE SENATE FINANCE COMMITTEE**

**Offered: 4/2/02**  
**Referred: Rules**

**Sponsor(s): SENATE FINANCE COMMITTEE**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act making certain individuals convicted of crimes ineligible for permanent fund**  
2 **dividends; relating to appropriations from the dividend fund; to certain payments of**  
3 **compensation from the crime victim compensation fund; to state aid for certain obligees**  
4 **with child support arrearages; and providing for an effective date."**

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

6 \* **Section 1.** AS 18.67.080 is amended by adding a new subsection to read:

7 (e) The amount appropriated during a year to the crime victim compensation  
8 fund from the dividend fund that is not subject to the public notice requirements of  
9 AS 43.23.028(a) shall be used first for the payment of compensation for victims of  
10 individuals who appear on the list of individuals ineligible for a dividend that is  
11 prepared for that year under AS 43.23.055(5). Notwithstanding AS 18.67.070, in  
12 determining the amount of compensation for a victim of an individual who appears on  
13 the list prepared under AS 43.23.055(5), the board shall consider the amount of any  
14 civil judgment or order of restitution that requires the individual to pay for damages to

1 the victim. Compensation paid to a victim under this subsection may not be  
2 considered for purposes of applying AS 18.67.130(c).

3 \* **Sec. 2.** AS 25.27.120(a) is amended to read:

4 (a) An obligor is liable to the state in the amount of assistance granted under  
5 AS 25.27.400, AS 47.07, and AS 47.27 to a child to whom the obligor owes a duty of  
6 support except that, if a support order has been entered, the liability of the obligor for  
7 assistance granted under AS 47.27 may not exceed the amount of support provided for  
8 in the support order, and, if a medical order of support has been entered, the liability of  
9 the obligor for assistance granted under AS 47.07 may not exceed the amount of  
10 support provided for in the medical order of support.

11 \* **Sec. 3.** AS 25.27.130(c) is amended to read:

12 (c) The recovery of any amount for which the obligor is liable that exceeds the  
13 total assistance granted under AS 25.27.400, AS 47.07, and AS 47.27 shall be paid to  
14 the obligee.

15 \* **Sec. 4.** AS 25.27.130(e) is amended to read:

16 (e) After payment to the obligee under (d) of this section, the state may retain  
17 an amount not to exceed the total unreimbursed assistance paid on behalf of the  
18 obligee under AS 25.27.400, AS 47.07, or AS 47.27.

19 \* **Sec. 5.** AS 25.27.130(f) is amended to read:

20 (f) Notwithstanding (d) of this section, the state shall, if required under federal  
21 law or regulations, distribute amounts recovered through offset of the obligor's federal  
22 tax refund as past due support with first distribution to the state for unpaid support  
23 assigned to the state under AS 47.07.025 and AS 47.27.040, and for reimbursement  
24 of payments under AS 25.27.400.

25 \* **Sec. 6.** AS 25.27 is amended by adding a new section to read:

26 **Sec. 25.27.400. State aid for child support arrearages.** (a) The amount  
27 appropriated during a fiscal year to the agency from the dividend fund that is not  
28 subject to the public notice requirements of AS 43.23.028(a) shall be paid by the  
29 agency as aid to obligees for whom the agency is enforcing a duty of child support. A  
30 payment under this section may be made only to an obligee to whom an arrearage is  
31 owed who, during the previous fiscal year, has not received from the agency a child

1 support payment or payment under this section.

2 (b) The agency shall adopt regulations to implement the program of state aid  
3 under this section. The regulations may establish additional eligibility requirements  
4 and terms for payments.

5 \* **Sec. 7.** AS 43.23.005(d) is amended to read:

6 (d) Notwithstanding the provisions of (a) - (c) of this section, an individual is  
7 not eligible for a permanent fund dividend for a dividend year when

8 (1) during the qualifying year, the individual was sentenced as a result  
9 of conviction in this state of a felony **or misdemeanor and the judgment has not**  
10 **been reversed or vacated;**

11 (2) during all or part of the qualifying year, the individual was  
12 incarcerated as a result of the conviction in this state of a

13 [(A)] felony **and the judgment has not been reversed or**  
14 **vacated** [;] or

15 [(B)] misdemeanor **and the judgment has not been reversed**  
16 **or vacated;**

17 (3) **before or during the qualifying year, the individual was**  
18 **sentenced as a result of conviction in this state of an unclassified felony described**  
19 **in AS 11 and the judgment has not been reversed or vacated;**

20 (4) **during the 19 years immediately before the qualifying year, the**  
21 **individual was incarcerated as a result of the conviction in this state of a felony**  
22 **under AS 11.41 or of a felony under AS 11.46.480(a)(3) and the judgment has not**  
23 **been reversed or vacated;**

24 (5) **except as provided in (3) and (4) of this subsection, during the**  
25 **nine years immediately before the qualifying year, the individual was**  
26 **incarcerated as a result of the conviction in this state of a felony and the**  
27 **judgment has not been reversed or vacated; or**

28 (6) **during the four years immediately before the qualifying year,**  
29 **the individual was incarcerated as a result of the conviction in this state of a**  
30 **misdemeanor under AS 11.41 and the judgment has not been reversed or vacated**

31 [IF THE INDIVIDUAL HAS BEEN CONVICTED OF

1 (i) A PRIOR FELONY AS DEFINED IN  
2 AS 11.81.900; OR

3 (ii) TWO OR MORE PRIOR MISDEMEANORS AS  
4 DEFINED IN AS 11.81.900].

5 \* **Sec. 8.** AS 43.23.005(g) is amended to read:

6 (g) For purposes of applying **(d)** [(d)(1)] of this section, the date the court  
7 imposes a sentence or suspends the imposition of sentence shall be treated as the date  
8 of conviction. [FOR PURPOSES OF APPLYING (d)(2)(B) OF THIS SECTION,  
9 MULTIPLE CONVICTIONS ARISING OUT OF A SINGLE CRIMINAL EPISODE  
10 SHALL BE TREATED AS A SINGLE CONVICTION.]

11 \* **Sec. 9.** AS 43.23.028 is amended to read:

12 **Sec. 43.23.028. Public notice.** (a) By October 1 of each year, the  
13 commissioner shall give public notice of the value of each permanent fund dividend  
14 for that year and notice of the information required to be disclosed under (3) of this  
15 subsection. In addition, the stub attached to each individual dividend check and direct  
16 deposit advice must

17 (1) disclose the amount of each dividend attributable to income earned  
18 by the permanent fund from deposits to that fund required under art. IX, sec. 15,  
19 Constitution of the State of Alaska;

20 (2) disclose the amount of each dividend attributable to income earned  
21 by the permanent fund from appropriations to that fund and from amounts added to  
22 that fund to offset the effects of inflation;

23 (3) disclose the amount by which each dividend has been reduced due  
24 to each appropriation from the dividend fund, including amounts to pay the costs of  
25 administering the dividend program and the hold harmless provisions of  
26 AS 43.23.075;

27 (4) include a statement **listing the circumstances under which**  
28 [THAT] an individual is not eligible for a dividend **under AS 43.23.005(d)** [WHEN

29 (A) DURING THE QUALIFYING YEAR, THE  
30 INDIVIDUAL WAS CONVICTED OF A FELONY;

31 (B) DURING ALL OR PART OF THE QUALIFYING YEAR,

1 THE INDIVIDUAL WAS INCARCERATED AS A RESULT OF THE  
2 CONVICTION OF A

3 (i) FELONY; OR

4 (ii) MISDEMEANOR IF THE INDIVIDUAL HAS  
5 BEEN CONVICTED OF A PRIOR FELONY OR TWO OR MORE  
6 PRIOR MISDEMEANORS];

7 (5) include a statement that the legislative purpose for making  
8 individuals listed under (4) of this subsection ineligible is to

9 (A) obtain reimbursement for some of the costs imposed on the  
10 state criminal justice system related to incarceration or probation of those  
11 individuals;

12 (B) provide funds for services for and payments to crime  
13 victims and for grants for the operation of domestic violence and sexual assault  
14 programs;

15 (6) disclose the total amount that would have been paid during the  
16 previous fiscal year to individuals who were ineligible to receive dividends under  
17 AS 43.23.005(d) if they had been eligible;

18 (7) disclose the total amount appropriated for the current fiscal year  
19 under (b) of this section for each of the funds and agencies listed in (b) of this section.

20 (b) To the extent that the amounts appropriated for a fiscal year, when added  
21 to amounts appropriated under (c) of this section, do not exceed the total amount  
22 that would have been paid during the previous fiscal year to individuals who were  
23 ineligible to receive dividends under AS 43.23.005(d) if they had been eligible, the  
24 notice requirements of (a)(3) of this section do not apply to appropriations from the  
25 dividend fund to

26 (1) the crime victim compensation fund established under  
27 AS 18.67.162 for payments to crime victims;

28 (2) the council on domestic violence and sexual assault established  
29 under AS 18.66.010 for grants for the operation of domestic violence and sexual  
30 assault programs;

31 (3) the Department of Corrections for incarceration and probation

1 programs;

2 (4) the office of victims' rights; or

3 (5) nonprofit victims' rights organizations for grants for services to  
4 crime victims.

5 \* **Sec. 10.** AS 43.23.028 is amended by adding a new subsection to read:

6 (c) To the extent that the amounts appropriated for a fiscal year do not exceed  
7 the total amount that would have been paid during the previous fiscal year to  
8 individuals in arrears on child support payments who were ineligible to receive  
9 dividends under AS 43.23.005(d) if they had been eligible, the notice requirements of  
10 (a)(3) of this section do not apply to appropriations from the dividend fund to the child  
11 support enforcement agency for payments under AS 25.27.400.

12 \* **Sec. 11.** The uncodified law of the State of Alaska is amended by adding a new section to  
13 read:

14 **APPLICABILITY.** The amendments to AS 43.23.005(d) and (g) in secs. 7 and 8 of  
15 this Act apply only to individuals convicted of crimes committed after December 31, 2002.  
16 AS 43.23.005(d) and (g) as they read on the day before the effective date of the amendments  
17 in secs. 7 and 8 of this Act apply to individuals convicted of crimes committed before  
18 December 31, 2002.

19 \* **Sec. 12.** This Act takes effect January 1, 2003.