

**CS FOR HOUSE BILL NO. 273(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 2/17/06

Referred: Rules

Sponsor(s): REPRESENTATIVES WEYHRAUCH, Seaton, McGuire, Gatto, Gruenberg, Elkins, Hawker, Wilson, Ramras, Cissna, Thomas, Foster, Anderson, Rokeberg, Moses, Olson, Holm, Chenault, Kelly, Guttenberg

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the dividends of certain individuals claiming allowable absences;  
2 and providing for an effective date."

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

4 \* **Section 1.** AS 43.23.005(a) is amended to read:

5 (a) An individual is eligible, or conditionally eligible under AS 43.23.009, to  
6 receive one permanent fund dividend **for** each year in an amount to be determined  
7 under AS 43.23.025 if the individual

8 (1) applies to the department;

9 (2) is a state resident on the date of application;

10 (3) was a state resident during the entire qualifying year;

11 (4) has been physically present in the state for at least 72 consecutive  
12 hours at some time during the prior two years before the current dividend year;

13 (5) is

14 (A) a citizen of the United States;

1 (B) an alien lawfully admitted for permanent residence in the  
2 United States;

3 (C) an alien with refugee status under federal law; or

4 (D) an alien that has been granted asylum under federal law;

5 (6) was, at all times during the qualifying year, physically present in  
6 the state or, if absent, was absent only as allowed in AS 43.23.008 **and met the**  
7 **requirements of AS 43.23.009**; and

8 (7) was in compliance during the qualifying year with the military  
9 selective service registration requirements imposed under 50 U.S.C. App. 453  
10 (Military Selective Service Act), if those requirements were applicable to the  
11 individual, or has come into compliance after being notified of the lack of compliance.

12 \* **Sec. 2.** AS 43.23.008(a) is amended to read:

13 (a) Subject to (b) and (c) of this section, an otherwise eligible individual who  
14 is absent from the state during the qualifying year remains eligible, **or conditionally**  
15 **eligible under AS 43.23.009**, for a current year permanent fund dividend if the  
16 individual was absent

17 (1) receiving secondary or postsecondary education on a full-time  
18 basis;

19 (2) receiving vocational, professional, or other specific education on a  
20 full-time basis for which, as determined by the Alaska Commission on Postsecondary  
21 Education, a comparable program is not reasonably available in the state;

22 (3) serving on active duty as a member of the armed forces of the  
23 United States or accompanying, as that individual's spouse, minor dependent, or  
24 disabled dependent, an individual who is

25 (A) serving on active duty as a member of the armed forces of  
26 the United States; and

27 (B) eligible for a current year dividend;

28 (4) serving under foreign or coastal articles of employment aboard an  
29 oceangoing vessel of the United States merchant marine;

30 (5) receiving continuous medical treatment recommended by a  
31 licensed physician or convalescing as recommended by the physician that treated the

1 illness if the treatment or convalescence is not based on a need for climatic change;

2 (6) providing care for a parent, spouse, sibling, child, or stepchild with  
3 a critical life-threatening illness whose treatment plan, as recommended by the  
4 attending physician, requires travel outside the state for treatment at a medical  
5 specialty complex;

6 (7) providing care for the individual's terminally ill family member;

7 (8) settling the estate of the individual's deceased parent, spouse,  
8 sibling, child, or stepchild, provided the absence does not exceed 220 cumulative days;

9 (9) serving as a member of the United States Congress;

10 (10) serving on the staff of a member from this state of the United  
11 States Congress;

12 (11) serving as an employee of the state in a field office or other  
13 location;

14 (12) accompanying a minor who is absent under (5) of this subsection;

15 (13) accompanying another eligible resident who is absent for a reason  
16 permitted under (1), (2), (5) - (12), or (14) of this subsection as the spouse, minor  
17 dependent, or disabled dependent of the eligible resident;

18 (14) for any reason consistent with the individual's intent to remain a  
19 state resident, provided the absence or cumulative absences do not exceed

20 (A) 180 days in addition to any absence or cumulative absences  
21 claimed under (3) of this subsection if the individual is not claiming an absence  
22 under (1), (2), or (4) - (13) of this subsection;

23 (B) 120 days in addition to any absence or cumulative absences  
24 claimed under (1) - (3) of this subsection if the individual is not claiming an  
25 absence under (4) - (13) of this subsection but is claiming an absence under (1)  
26 or (2) of this subsection; or

27 (C) 45 days in addition to any absence or cumulative absences  
28 claimed under (1) - (13) of this subsection if the individual is claiming an  
29 absence under (4) - (13) of this subsection.

30 \* **Sec. 3.** AS 43.23.008(c) is amended to read:

31 (c) An otherwise eligible individual who has been eligible for the immediately

1 preceding **five** [10] dividends despite being absent from the state for more than 180  
 2 days in each of the related **five** [10] qualifying years is only eligible for the current  
 3 year dividend if the individual was absent 180 days or less during the qualifying year.  
 4 This subsection does not apply to an absence under (a)(9) or (10) of this section or to  
 5 an absence under (a)(13) of this section if the absence is to accompany an individual  
 6 who is absent under (a)(9) or (10) of this section.

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

8 **Sec. 43.23.009. Dividends of individuals with allowable absences.** (a)

9 Notwithstanding other provisions regarding eligibility for and payment of dividends  
 10 and except as provided in (e) of this section, the dividend of an individual who was  
 11 absent from the state during the qualifying year as allowed in AS 43.23.008(a)(1) - (8)  
 12 or (10) - (13) shall be paid to that individual on the first subsequent year that the  
 13 individual is eligible for a dividend without claiming an allowable absence under  
 14 AS 43.23.008(a)(1) - (8) or (10) - (13).

15 (b) If an individual who is conditionally eligible for a dividend that has not  
 16 become payable under (a) of this section fails to be eligible for a subsequent year  
 17 dividend, the individual's conditional eligibility for the dividend that has not become  
 18 payable under (a) of this section is terminated, and that dividend may not be paid.

19 (c) If an individual who is conditionally eligible for a dividend that has not  
 20 become payable under (a) of this section dies before conditional eligibility for the  
 21 dividend is terminated under (b) of this section, the department shall pay the dividend  
 22 to a personal representative of the estate.

23 (d) Notwithstanding other provisions, a dividend that has not become payable  
 24 to an individual under (a) of this section is not subject to levy, execution, garnishment,  
 25 attachment, or any other remedy for the collection of debt until that dividend becomes  
 26 payable or is paid to the individual.

27 (e) The dividend for a current year and for the year immediately following the  
 28 current year shall be paid to an individual each of those years under AS 43.23.055(2)  
 29 if

30 (1) without claiming an allowable absence under AS 43.23.008(a)(1) -  
 31 (8) or (10) - (13), the individual was eligible for a dividend for the year immediately

1 preceding the qualifying year for the current year;

2 (2) the individual was absent from the state during the qualifying year  
3 for the current year as allowed in AS 43.23.008(a)(1) - (8) or (10) - (13); and

4 (3) the individual is otherwise eligible for the dividend.

5 \* **Sec. 5.** AS 43.23.025(a) is amended to read:

6 (a) By October 1 of each year, the commissioner shall determine the value of  
7 each permanent fund dividend for that year by

8 (1) determining the total amount available for dividend payments,  
9 which equals

10 (A) the amount of income of the Alaska permanent fund  
11 transferred to the dividend fund under AS 37.13.145(b) during the current year;

12 (B) plus the unexpended and unobligated balances of prior  
13 fiscal year appropriations that lapse into the dividend fund under  
14 AS 43.23.045(d);

15 (C) less the amount necessary to pay prior year dividends from  
16 the dividend fund in the current year under AS 43.23.005(h), 43.23.009, and  
17 under AS 43.23.055(3) and (7);

18 (D) less the amount necessary to pay dividends from the  
19 dividend fund due to eligible applicants who, as determined by the department,  
20 filed for a previous year's dividend by the filing deadline but who were not  
21 included in a previous year's dividend computation;

22 (E) less appropriations from the dividend fund during the  
23 current year, including amounts to pay costs of administering the dividend  
24 program and the hold harmless provisions of AS 43.23.075;

25 (2) determining the number of individuals eligible to receive a  
26 dividend payment for the current year and the number of estates and successors  
27 eligible to receive a dividend payment for the current year under AS 43.23.005(h); and

28 (3) dividing the amount determined under (1) of this subsection by the  
29 amount determined under (2) of this subsection.

30 \* **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to  
31 read:

1           APPLICATION. An otherwise eligible individual who is not eligible for a permanent  
2 fund dividend for 2007 because of the amendment to AS 43.23.008(c) in sec. 3 of this Act,  
3 but who would have been eligible for the 2007 dividend under AS 43.23.008(c) as it read  
4 before the effective date of the amendment remains eligible for the 2007 dividend. In  
5 addition, AS 43.23.008(c), as it read before the effective date of the amendment of that  
6 subsection by sec. 3 of this Act, applies for purposes of determining that individual's  
7 eligibility for the 2008, 2009, 2010, and 2011 permanent fund dividends.

8       \* **Sec. 7.** This Act takes effect January 1, 2007.