

AMENDMENT #3 BY SEN.  
GIESSEL

OFFERED IN THE SENATE

TO: HB 344

1 Page 1, line 1, following "Act":

2 Insert "**relating to education tax credits for certain payments and contributions**  
3 **for child care and child care facilities; relating to the insurance tax education credit, the**  
4 **income tax education credit, the oil or gas producer education credit, the property tax**  
5 **education credit, the mining business education credit, the fisheries business education**  
6 **credit, and the fisheries resource landing tax education credit;**"

7

8 Page 1, line 2, following "Health":

9 Insert "; **renaming the day care assistance program the child care assistance**  
10 **program; relating to the child care assistance program and the child care grant**  
11 **program; providing for an effective date by amending the effective date of secs. 1, 2, and**  
12 **21, ch. 61, SLA 2014; and providing for an effective date"**

13

14 Page 1, following line 3:

15 Insert new bill sections to read:

16 **"\* Section 1.** AS 21.96.070(a) is amended to read:

17 (a) A taxpayer is allowed a credit against the tax due under AS 21.09.210 or  
18 AS 21.66.110 for [CONTRIBUTIONS OF CASH OR EQUIPMENT ACCEPTED]

19 (1) contributions of cash or equipment accepted for direct  
20 instruction, research, and educational support purposes, including library and museum  
21 acquisitions, and contributions to endowment, by an Alaska university foundation or  
22 by a nonprofit, public or private, Alaska two-year or four-year college accredited by a  
23 national or regional accreditation association;

1                   (2) contributions of cash or equipment accepted for secondary  
2 school level vocational education courses, programs, and facilities by a school district  
3 in the state;

4                   (3) contributions of cash or equipment accepted for vocational  
5 education courses, programs, and facilities by a state-operated vocational technical  
6 education and training school;

7                   (4) contributions of cash or equipment accepted for a facility by a  
8 nonprofit, public or private, Alaska two-year or four-year college accredited by a  
9 national or regional accreditation association;

10                   (5) contributions of cash or equipment accepted for Alaska Native  
11 cultural or heritage programs and educational support, including mentoring and  
12 tutoring, provided by a nonprofit agency for public school staff and for students who  
13 are in grades kindergarten through 12 in the state; [AND]

14                   (6) contributions of cash or equipment accepted for education,  
15 research, rehabilitation, and facilities by an institution that is located in the state and  
16 that qualifies as a coastal ecosystem learning center under the Coastal America  
17 Partnership established by the federal government;

18                   (7) expenditures made to operate a child care facility in the state  
19 for the children of the taxpayer's employees;

20                   (8) contributions of cash or equipment accepted by a child care  
21 facility in the state operated by a nonprofit corporation and attended by one or  
22 more children of the taxpayer's employees; and

23                   (9) a payment to an employee of the taxpayer made by the  
24 taxpayer for the purpose of offsetting the employee's child care costs incurred in  
25 the state.

26 \* **Sec. 2.** AS 43.20.014(a) is amended to read:

27                   (a) A taxpayer is allowed a credit against the tax due under this chapter for  
28 [CONTRIBUTIONS OF CASH OR EQUIPMENT ACCEPTED FOR]

29                   (1) contributions of cash or equipment accepted for direct  
30 instruction, research, and educational support purposes, including library and museum  
31 acquisitions, and contributions to endowment, by an Alaska university foundation, by

1 a nonprofit, public or private, Alaska two-year or four-year college accredited by a  
2 national or regional accreditation association, or by a public or private nonprofit  
3 elementary or secondary school in the state;

4 (2) **contributions of cash or equipment accepted for** secondary  
5 school level vocational education courses, programs, and facilities by a school district  
6 in the state;

7 (3) **contributions of cash or equipment accepted for** vocational  
8 education courses, programs, equipment, and facilities by a state-operated vocational  
9 technical education and training school, a nonprofit regional training center recognized  
10 by the Department of Labor and Workforce Development, and an apprenticeship  
11 program in the state that is registered with the United States Department of Labor  
12 under 29 U.S.C. 50 - 50b (National Apprenticeship Act);

13 (4) **contributions of cash or equipment accepted for** a facility by a  
14 nonprofit, public or private, Alaska two-year or four-year college accredited by a  
15 national or regional accreditation association or by a public or private nonprofit  
16 elementary or secondary school in the state;

17 (5) **contributions of cash or equipment accepted for** Alaska Native  
18 cultural or heritage programs and educational support, including mentoring and  
19 tutoring, provided by a nonprofit agency for public school staff and for students who  
20 are in grades kindergarten through 12 in the state;

21 (6) **contributions of cash or equipment accepted for** education,  
22 research, rehabilitation, and facilities by an institution that is located in the state and  
23 that qualifies as a coastal ecosystem learning center under the Coastal America  
24 Partnership established by the federal government;

25 (7) **contributions of cash or equipment accepted for** the Alaska  
26 higher education investment fund under AS 37.14.750;

27 (8) **contributions of cash or equipment accepted for** funding a  
28 scholarship awarded by a nonprofit organization to a dual-credit student to defray the  
29 cost of a dual-credit course, including the cost of

30 (A) tuition and textbooks;

31 (B) registration, course, and programmatic student fees;

1 (C) on-campus room and board at the postsecondary institution  
2 in the state that provides the dual-credit course;

3 (D) transportation costs to and from a residential school  
4 approved by the Department of Education and Early Development under  
5 AS 14.16.200 or the postsecondary school in the state that provides the dual-  
6 credit course; and

7 (E) other related educational and programmatic costs;

8 (9) **contributions of cash or equipment accepted for** constructing,  
9 operating, or maintaining a residential housing facility by a residential school in the  
10 state approved by the Department of Education and Early Development under  
11 AS 14.16.200;

12 (10) **contributions of cash or equipment accepted for** childhood  
13 early learning and development programs and educational support to childhood early  
14 learning and development programs provided by a nonprofit corporation organized  
15 under AS 10.20, a tribal entity, or a school district in the state, by the Department of  
16 Education and Early Development, or through a state grant;

17 (11) **contributions of cash or equipment accepted for** science,  
18 technology, engineering, and math programs provided by a nonprofit agency or a  
19 school district for school staff and for students in grades kindergarten through 12 in  
20 the state; [AND]

21 (12) **contributions of cash or equipment accepted for** the operation  
22 of a nonprofit organization dedicated to providing educational opportunities that  
23 promote the legacy of public service contributions to the state and perpetuate ongoing  
24 educational programs that foster public service leadership for future generations of  
25 residents of the state;

26 **(13) expenditures made to operate a child care facility in the state**  
27 **for the children of the taxpayer's employees;**

28 **(14) contributions of cash or equipment accepted by a child care**  
29 **facility in the state operated by a nonprofit corporation and attended by one or**  
30 **more children of the taxpayer's employees; and**

31 **(15) a payment to an employee of the taxpayer made by the**

1 **taxpayer for the purpose of offsetting the employee's child care costs incurred in**  
2 **the state.**

3 \* **Sec. 3.** AS 43.55.019(a) is amended to read:

4 (a) A producer of oil or gas is allowed a credit against the tax levied by  
5 AS 43.55.011(e) for [CONTRIBUTIONS OF CASH OR EQUIPMENT ACCEPTED  
6 FOR]

7 (1) **contributions of cash or equipment accepted for** direct  
8 instruction, research, and educational support purposes, including library and museum  
9 acquisitions, and contributions to endowment, by an Alaska university foundation or  
10 by a nonprofit, public or private, Alaska two-year or four-year college accredited by a  
11 national or regional accreditation association;

12 (2) **contributions of cash or equipment accepted for** secondary  
13 school level vocational education courses, programs, and facilities by a school district  
14 in the state;

15 (3) **contributions of cash or equipment accepted for** vocational  
16 education courses, programs, equipment, and facilities by a state-operated vocational  
17 technical education and training school, a nonprofit regional training center recognized  
18 by the Department of Labor and Workforce Development, and an apprenticeship  
19 program in the state that is registered with the United States Department of Labor  
20 under 29 U.S.C. 50 - 50b (National Apprenticeship Act);

21 (4) **contributions of cash or equipment accepted for** a facility by a  
22 nonprofit, public or private, Alaska two-year or four-year college accredited by a  
23 national or regional accreditation association;

24 (5) **contributions of cash or equipment accepted for** Alaska Native  
25 cultural or heritage programs and educational support, including mentoring and  
26 tutoring, provided by a nonprofit agency for public school staff and for students who  
27 are in grades kindergarten through 12 in the state;

28 (6) **contributions of cash or equipment accepted for** education,  
29 research, rehabilitation, and facilities by an institution that is located in the state and  
30 that qualifies as a coastal ecosystem learning center under the Coastal America  
31 Partnership established by the federal government; [AND]

1 (7) contributions of cash or equipment accepted for the Alaska  
2 higher education investment fund under AS 37.14.750;

3 (8) expenditures made to operate a child care facility in the state  
4 for the children of the producer's employees;

5 (9) contributions of cash or equipment accepted by a child care  
6 facility in the state operated by a nonprofit corporation and attended by one or  
7 more children of the producer's employees; and

8 (10) a payment to an employee of the producer made by the  
9 producer for the purpose of offsetting the employee's child care costs incurred in  
10 the state.

11 \* Sec. 4. AS 43.56.018(a) is amended to read:

12 (a) The owner of property taxable under this chapter is allowed a credit  
13 against the tax due under this chapter for [CONTRIBUTIONS OF CASH OR  
14 EQUIPMENT ACCEPTED FOR]

15 (1) contributions of cash or equipment accepted for direct  
16 instruction, research, and educational support purposes, including library and museum  
17 acquisitions, and contributions to endowment, by an Alaska university foundation or  
18 by a nonprofit, public or private, Alaska two-year or four-year college accredited by a  
19 national or regional accreditation association;

20 (2) contributions of cash or equipment accepted for secondary  
21 school level vocational education courses, programs, and facilities by a school district  
22 in the state;

23 (3) contributions of cash or equipment accepted for vocational  
24 education courses, programs, and facilities by a state-operated vocational technical  
25 education and training school;

26 (4) contributions of cash or equipment accepted for a facility by a  
27 nonprofit, public or private, Alaska two-year or four-year college accredited by a  
28 national or regional accreditation association;

29 (5) contributions of cash or equipment accepted for Alaska Native  
30 cultural or heritage programs and educational support, including mentoring and  
31 tutoring, provided by a nonprofit agency for public school staff and for students who

1 are in grades kindergarten through 12 in the state;

2 (6) contributions of cash or equipment accepted for education,  
3 research, rehabilitation, and facilities by an institution that is located in the state and  
4 that qualifies as a coastal ecosystem learning center under the Coastal America  
5 Partnership established by the federal government; [AND]

6 (7) contributions of cash or equipment accepted for the Alaska  
7 higher education investment fund under AS 37.14.750;

8 (8) expenditures made to operate a child care facility in the state  
9 for the children of the property owner's employees;

10 (9) contributions of cash or equipment accepted by a child care  
11 facility in the state operated by a nonprofit corporation and attended by one or  
12 more children of the property owner's employees; and

13 (10) a payment to an employee of the property owner made by the  
14 owner for the purpose of offsetting the employee's child care costs incurred in the  
15 state.

16 \* Sec. 5. AS 43.65.018(a) is amended to read:

17 (a) A person engaged in the business of mining in the state is allowed a credit  
18 against the tax due under this chapter for [CONTRIBUTIONS OF CASH OR  
19 EQUIPMENT ACCEPTED FOR]

20 (1) contributions of cash or equipment accepted for direct  
21 instruction, research, and educational support purposes, including library and museum  
22 acquisitions, and contributions to endowment, by an Alaska university foundation, by  
23 a nonprofit, public or private, Alaska two-year or four-year college accredited by a  
24 national or regional accreditation association, or by a public or private nonprofit  
25 elementary or secondary school in the state;

26 (2) contributions of cash or equipment accepted for secondary  
27 school level vocational education courses, programs, and facilities by a school district  
28 in the state;

29 (3) contributions of cash or equipment accepted for vocational  
30 education courses, programs, and facilities by a state- operated vocational technical  
31 education and training school;

1                   (4) **contributions of cash or equipment accepted for** a facility by a  
2 nonprofit, public or private, Alaska two-year or four-year college accredited by a  
3 national or regional accreditation association or by a public or private nonprofit  
4 elementary or secondary school in the state;

5                   (5) **contributions of cash or equipment accepted for** Alaska Native  
6 cultural or heritage programs and educational support, including mentoring and  
7 tutoring, provided by a nonprofit agency for public school staff and for students who  
8 are in grades kindergarten through 12 in the state;

9                   (6) **contributions of cash or equipment accepted for** education,  
10 research, rehabilitation, and facilities by an institution that is located in the state and  
11 that qualifies as a coastal ecosystem learning center under the Coastal America  
12 Partnership established by the federal government;

13                   (7) **contributions of cash or equipment accepted for** the Alaska  
14 higher education investment fund under AS 37.14.750;

15                   (8) **contributions of cash or equipment accepted for** funding a  
16 scholarship awarded by a nonprofit organization to a dual-credit student to defray the  
17 cost of a dual-credit course, including the cost of

18                               (A) tuition and textbooks;

19                               (B) registration, course, and programmatic student fees;

20                               (C) on-campus room and board at the postsecondary institution  
21 in the state that provides the dual-credit course;

22                               (D) transportation costs to and from a residential school  
23 approved by the Department of Education and Early Development under  
24 AS 14.16.200 or the postsecondary school in the state that provides the dual-  
25 credit course; and

26                               (E) other related educational and programmatic costs;

27                   (9) **contributions of cash or equipment accepted for** constructing,  
28 operating, or maintaining a residential housing facility by a residential school  
29 approved by the Department of Education and Early Development under  
30 AS 14.16.200;

31                   (10) **contributions of cash or equipment accepted for** childhood

1 early learning and development programs and educational support to childhood early  
 2 learning and development programs provided by a nonprofit corporation organized  
 3 under AS 10.20, a tribal entity, or a school district in the state, by the Department of  
 4 Education and Early Development, or through a state grant;

5 (11) contributions of cash or equipment accepted for science,  
 6 technology, engineering, and math programs provided by a nonprofit agency or a  
 7 school district for school staff and for students in grades kindergarten through 12 in  
 8 the state; [AND]

9 (12) contributions of cash or equipment accepted for the operation  
 10 of a nonprofit organization dedicated to providing educational opportunities that  
 11 promote the legacy of public service contributions to the state and perpetuate ongoing  
 12 educational programs that foster public service leadership for future generations of  
 13 residents of the state;

14 (13) expenditures made to operate a child care facility in the state  
 15 for the children of the person's employees;

16 (14) contributions of cash or equipment accepted by a child care  
 17 facility in the state operated by a nonprofit corporation and attended by one or  
 18 more children of the person's employees; and

19 (15) a payment to an employee of the person's business made by  
 20 the person for the purpose of offsetting the employee's child care costs incurred  
 21 in the state.

22 \* Sec. 6. AS 43.75.018(a) is amended to read:

23 (a) A person engaged in a fisheries business is allowed a credit against the tax  
 24 due under this chapter for [CONTRIBUTIONS OF CASH OR EQUIPMENT  
 25 ACCEPTED FOR]

26 (1) contributions of cash or equipment accepted for direct  
 27 instruction, research, and educational support purposes, including library and museum  
 28 acquisitions, and contributions to endowment, by an Alaska university foundation, by  
 29 a nonprofit, public or private, Alaska two-year or four-year college accredited by a  
 30 national or regional accreditation association, or by a public or private nonprofit  
 31 elementary or secondary school in the state;

1                   (2) **contributions of cash or equipment accepted for** secondary  
2 school level vocational education courses, programs, and facilities by a school district  
3 in the state;

4                   (3) **contributions of cash or equipment accepted for** vocational  
5 education courses, programs, and facilities by a state-operated vocational technical  
6 education and training school;

7                   (4) **contributions of cash or equipment accepted for** a facility by a  
8 nonprofit, public or private, Alaska two-year or four-year college accredited by a  
9 national or regional accreditation association or by a public or private nonprofit  
10 elementary or secondary school in the state;

11                   (5) **contributions of cash or equipment accepted for** Alaska Native  
12 cultural or heritage programs and educational support, including mentoring and  
13 tutoring, provided by a nonprofit agency for public school staff and for students who  
14 are in grades kindergarten through 12 in the state;

15                   (6) **contributions of cash or equipment accepted for** education,  
16 research, rehabilitation, and facilities by an institution that is located in the state and  
17 that qualifies as a coastal ecosystem learning center under the Coastal America  
18 Partnership established by the federal government;

19                   (7) **contributions of cash or equipment accepted for** the Alaska  
20 higher education investment fund under AS 37.14.750;

21                   (8) **contributions of cash or equipment accepted for** funding a  
22 scholarship awarded by a nonprofit organization to a dual-credit student to defray the  
23 cost of a dual-credit course, including the cost of

24                               (A) tuition and textbooks;

25                               (B) registration, course, and programmatic student fees;

26                               (C) on-campus room and board at the postsecondary institution  
27 in the state that provides the dual-credit course;

28                               (D) transportation costs to and from a residential school  
29 approved by the Department of Education and Early Development under  
30 AS 14.16.200 or the postsecondary school in the state that provides the dual-  
31 credit course; and

1 (E) other related educational and programmatic costs;

2 (9) **contributions of cash or equipment accepted for** constructing,  
3 operating, or maintaining a residential housing facility by a residential school  
4 approved by the Department of Education and Early Development under  
5 AS 14.16.200;

6 (10) **contributions of cash or equipment accepted for** childhood  
7 early learning and development programs and educational support to childhood early  
8 learning and development programs provided by a nonprofit corporation organized  
9 under AS 10.20, a tribal entity, or a school district in the state, by the Department of  
10 Education and Early Development, or through a state grant;

11 (11) **contributions of cash or equipment accepted for** science,  
12 technology, engineering, and math programs provided by a nonprofit agency or a  
13 school district for school staff and for students in grades kindergarten through 12 in  
14 the state; [AND]

15 (12) **contributions of cash or equipment accepted for** the operation  
16 of a nonprofit organization dedicated to providing educational opportunities that  
17 promote the legacy of public service contributions to the state and perpetuate ongoing  
18 educational programs that foster public service leadership for future generations of  
19 residents of the state;

20 **(13) expenditures made to operate a child care facility in the state**  
21 **for the children of the person's employees;**

22 **(14) contributions of cash or equipment accepted by a child care**  
23 **facility in the state operated by a nonprofit corporation and attended by one or**  
24 **more children of the person's employees; and**

25 **(15) a payment to an employee of the person's business made by**  
26 **the person for the purpose of offsetting the employee's child care costs incurred**  
27 **in the state.**

28 \* Sec. 7. AS 43.77.045(a) is amended to read:

29 (a) A person engaged in a floating fisheries business is allowed a credit  
30 against the tax due under this chapter for [CONTRIBUTIONS OF CASH OR  
31 EQUIPMENT ACCEPTED FOR]

1           (1) **contributions of cash or equipment accepted for** direct  
2 instruction, research, and educational support purposes, including library and museum  
3 acquisitions, and contributions to endowment, by an Alaska university foundation, by  
4 a nonprofit, public or private, Alaska two-year or four-year college accredited by a  
5 national or regional accreditation association, or by a public or private nonprofit  
6 elementary or secondary school in the state;

7           (2) **contributions of cash or equipment accepted for** secondary  
8 school level vocational education courses, programs, and facilities by a school district  
9 in the state;

10          (3) **contributions of cash or equipment accepted for** vocational  
11 education courses, programs, and facilities by a state-operated vocational technical  
12 education and training school;

13          (4) **contributions of cash or equipment accepted for** a facility by a  
14 nonprofit, public or private, Alaska two-year or four-year college accredited by a  
15 national or regional accreditation association or by a public or private nonprofit  
16 elementary or secondary school in the state;

17          (5) **contributions of cash or equipment accepted for** Alaska Native  
18 cultural or heritage programs and educational support, including mentoring and  
19 tutoring, provided by a nonprofit agency for public school staff and for students who  
20 are in grades kindergarten through 12 in the state;

21          (6) **contributions of cash or equipment accepted for** education,  
22 research, rehabilitation, and facilities by an institution that is located in the state and  
23 that qualifies as a coastal ecosystem learning center under the Coastal America  
24 Partnership established by the federal government;

25          (7) **contributions of cash or equipment accepted for** the Alaska  
26 higher education investment fund under AS 37.14.750;

27          (8) **contributions of cash or equipment accepted for** funding a  
28 scholarship awarded by a nonprofit organization to a dual-credit student to defray the  
29 cost of a dual-credit course, including the cost of

30                   (A) tuition and textbooks;

31                   (B) registration, course, and programmatic student fees;

1 (C) on-campus room and board at the postsecondary institution  
2 in the state that provides the dual-credit course;

3 (D) transportation costs to and from a residential school  
4 approved by the Department of Education and Early Development under  
5 AS 14.16.200 or the postsecondary school in the state that provides the dual-  
6 credit course; and

7 (E) other related educational and programmatic costs;

8 (9) **contributions of cash or equipment accepted for** constructing,  
9 operating, or maintaining a residential housing facility by a residential school  
10 approved by the Department of Education and Early Development under  
11 AS 14.16.200;

12 (10) **contributions of cash or equipment accepted for** childhood  
13 early learning and development programs and educational support to childhood early  
14 learning and development programs provided by a nonprofit corporation organized  
15 under AS 10.20, a tribal entity, or a school district in the state, by the Department of  
16 Education and Early Development, or through a state grant;

17 (11) **contributions of cash or equipment accepted for** science,  
18 technology, engineering, and math programs provided by a nonprofit agency or a  
19 school district for school staff and for students in grades kindergarten through 12 in  
20 the state; [AND]

21 (12) **contributions of cash or equipment accepted for** the operation  
22 of a nonprofit organization dedicated to providing educational opportunities that  
23 promote the legacy of public service contributions to the state and perpetuate ongoing  
24 educational programs that foster public service leadership for future generations of  
25 residents of the state;

26 **(13) expenditures made to operate a child care facility in the state**  
27 **for the children of the person's employees;**

28 **(14) contributions of cash or equipment accepted by a child care**  
29 **facility in the state operated by a nonprofit corporation and attended by one or**  
30 **more children of the person's employees; and**

31 **(15) a payment to an employee of the person's business made by**

1           the person for the purpose of offsetting the employee's child care costs incurred  
 2           in the state.

3       \* **Sec. 8.** AS 47.05.030(a) is amended to read:

4           (a) Except as provided in (b) and (c) of this section and for purposes directly  
 5           connected with the administration of general assistance, adult public assistance, the  
 6           child [DAY] care assistance program authorized under AS 47.25.001 - 47.25.095, or  
 7           the Alaska temporary assistance program, and in accordance with the regulations of  
 8           the department, a person may not solicit, disclose, receive, make use of, or authorize,  
 9           knowingly permit, participate in, or acquiesce in the use of, a list of or names of, or  
 10          information concerning, persons applying for or receiving the assistance directly or  
 11          indirectly derived from the records, papers, files, or communications of the department  
 12          or subdivisions or agencies of the department, or acquired in the course of the  
 13          performance of official duties.

14       \* **Sec. 9.** AS 47.05.085(a) is amended to read:

15          (a) The commissioner or the commissioner's designee at the director level may  
 16          issue subpoenas to compel the production of books, papers, correspondence,  
 17          memoranda, and other records considered necessary as evidence in connection with an  
 18          investigation under or the administration of AS 47.07 (medical assistance), AS 47.08  
 19          (assistance for catastrophic illnesses and acute or chronic medical conditions),  
 20          AS 47.25 (child [DAY] care assistance, child care grants, general relief, adult public  
 21          assistance, and food stamps), and AS 47.27 (Alaska temporary assistance program)."

22  
 23       Page 1, line 4:

24           Delete "**Section 1**"

25           Insert "**Sec. 10**"

26  
 27       Page 1, following line 13:

28           Insert new bill sections to read:

29       "\* **Sec. 11.** AS 47.25.001(a) is amended to read:

30           (a) The department shall

31                   (1) implement and administer a program to assist in providing child

1 [DAY] care for the children of low and moderate income families according to the  
2 requirements of AS 47.25.001 - 47.25.095;

3 (2) establish standards of eligibility for child [DAY] care benefits; the  
4 standards must provide that the maximum monthly household income for a  
5 family to be eligible for the program is 105 percent of the median monthly  
6 household income in the state, adjusted for family size, unless the family is  
7 otherwise exempt from income eligibility requirements;

8 (3) contract for the care of children of eligible families;

9 (4) establish procedures to periodically review the needs of families  
10 receiving child [DAY] care benefits;

11 (5) provide notification to the local government body of the request for  
12 a contract with a child [DAY] care facility;

13 (6) establish an electronic application for assistance and allow an  
14 applicant to submit an application in electronic format or in other formats required by  
15 state and federal law; the electronic application must inform an applicant that a false  
16 statement made on the application will be investigated and is punishable under  
17 AS 11.56.210;

18 (7) establish a program to partner with private sector entities to  
19 create incentives for employers to develop on-site or near-site child care.

20 \* **Sec. 12.** AS 47.25.011 is amended to read:

21 **Sec. 47.25.011. Administrative costs of program contractors.** To defray  
22 administrative expenses, a contractor under AS 47.25.001(b) may only retain \$1,000  
23 or 12 percent, whichever is greater, of the child [DAY] care assistance program funds  
24 it receives from the department under the contract.

25 \* **Sec. 13.** AS 47.25.021 is amended to read:

26 **Sec. 47.25.021. Conditions of receipt of benefits.** Benefits may be paid for  
27 the care of children of a low or moderate income family only if a parent or guardian,  
28 because of the child [DAY] care, is freed to work or to seek work or to attend school.  
29 Benefits may not be paid for the care of children of a family where one parent or  
30 guardian is not working, actively seeking work, or attending school and is physically  
31 and mentally capable of caring for the children.

1 \* **Sec. 14.** AS 47.25.031 is amended to read:

2           **Sec. 47.25.031. Eligibility of families for benefits.** The department shall  
3 determine the eligibility of families for child [DAY] care benefits on the basis of the  
4 following factors:

5                   (1) income of the family including salary, alimony, child support,  
6 retirement benefits, social security, and any other source of income;

7                   (2) number of children in the family;

8                   (3) whether there is one parent or guardian solely responsible for the  
9 care of the family.

10 \* **Sec. 15.** AS 47.25.041 is amended to read:

11           **Sec. 47.25.041. Contributions by parent or guardian.** The department shall  
12 develop a sliding fee scale based on the factors listed in AS 47.25.031 for purposes of  
13 determining the amount to be contributed by the parent or guardian for child care; the  
14 amount may not exceed seven percent of the family monthly income. The  
15 contribution of the parent or guardian shall be paid to the child [DAY] care facility.

16 \* **Sec. 16.** AS 47.25.051 is amended to read:

17           **Sec. 47.25.051. Placement; payment by state.** (a) Parents or guardians shall  
18 select the child [DAY] care facility for the care of their children.

19                   (b) Benefits shall be paid by the department directly to the municipality or  
20 organization contracting with the child [DAY] care facility.

21 \* **Sec. 17.** AS 47.25.051 is amended by adding a new subsection to read:

22                   (c) The department shall use a market rate study or a cost of care study to  
23 establish a subsidy rate for each region served by the program established under  
24 AS 47.25.001. The department shall use the subsidy rate to determine the amount of  
25 benefits payable by the department under (b) of this section.

26 \* **Sec. 18.** AS 47.25.071(b) is amended to read:

27                   (b) To qualify for a grant under (a) or (d) of this section, the child care facility  
28 must

29                           (1) be currently licensed under AS 47.32 and applicable municipal  
30 licensing requirements;

31                           (2) participate in the child [DAY] care assistance program under

1 AS 47.25.001 - 47.25.095; [AND]

2 (3) provide care under a payment system as provided in (g) of this  
3 section; **and**

4 **(4) be designated as a quality child care facility by the department.**

5 \* **Sec. 19.** AS 47.25.071(g) is amended to read:

6 (g) **A** [EACH] child care facility receiving a grant under (a) or (d) of this  
7 section shall

8 **(1)** assure that at least 15 percent or one of its child care spaces  
9 receiving subsidy under this section, whichever is greater, will be made available, if  
10 requested, to children eligible for **child** [DAY] care assistance under AS 47.25.001 -  
11 47.25.095, whose parents or guardians wish to pay for care based on attendance only;

12 **(2) give priority to children from low-income families when filling**  
13 **available child care spaces in the facility.**

14 \* **Sec. 20.** AS 47.25.071(h) is amended to read:

15 (h) The department shall, in consultation with **a child care resource and**  
16 **referral agency in the state** [INTERESTED CHILD CARE PROVIDERS] and  
17 parents, adopt regulations to carry out the purposes of this section, **including criteria**  
18 **used to designate a child care facility as a quality child care facility under (b)(4)**  
19 **of this section.**

20 \* **Sec. 21.** AS 47.25.071 is amended by adding new subsections to read:

21 (i) In addition to the grants provided in (a) and (d) of this section, the  
22 department may, subject to appropriations for that purpose, provide grants to the  
23 highest performing and highest quality child care facilities in the state. The department  
24 may use quality recognition and improvement system metrics to determine the highest  
25 performing and highest quality child care facilities in the state. To receive a grant  
26 under this subsection, the child care facility must be currently licensed under AS 47.32  
27 and applicable municipal licensing requirements.

28 (j) A child care facility receiving a grant under (a) or (d) of this section may  
29 not deny a child acceptance to the facility based on disability or socioeconomic status.

30 \* **Sec. 22.** AS 47.25.095(2) is amended to read:

31 (2) "child care facility" means an establishment licensed as a child care

1 facility under AS 47.32 [, INCLUDING DAY CARE CENTERS, FAMILY DAY  
 2 CARE HOMES, AND SCHOOLS FOR PRESCHOOL AGE CHILDREN,] that  
 3 provides care for children not related by blood, marriage, or legal adoption to the  
 4 owner, operator, or manager of the facility, or an establishment recognized by the  
 5 federal government for the care of children;

6 \* **Sec. 23.** AS 47.25.095(3) is amended to read:

7 (3) "**child** [DAY] care" means the care, supervision, and guidance of a  
 8 child or children unaccompanied by a parent or legal guardian on a regular basis for  
 9 periods of less than 24 hours a day;

10 \* **Sec. 24.** AS 47.25.071(c) and 47.25.095(4) are repealed.

11 \* **Sec. 25.** The uncodified law of the State of Alaska is amended by adding a new section to  
 12 read:

13 CHILD CARE AND DEVELOPMENT FUND PLAN FEDERAL APPROVAL. To  
 14 the extent necessary to implement sec. 11 of this Act, the Department of Health shall amend  
 15 and submit for federal approval the state plan for the state's child care assistance program  
 16 under the federal child care and development fund program, consistent with AS 47.25.001(a),  
 17 as amended by sec. 11 of this Act.

18 \* **Sec. 26.** The uncodified law of the State of Alaska is amended by adding a new section to  
 19 read:

20 CONDITIONAL EFFECT; NOTIFICATION. (a) This Act takes effect only if, on or  
 21 before January 1, 2026, the United States Department of Health and Human Services

22 (1) approves the amendment to the state plan for child care assistance  
 23 program under the federal child care and development fund program, consistent with  
 24 AS 47.25.001(a), as amended by sec. 11 of this Act; or

25 (2) determines that approval of the amendment to the state plan for the  
 26 child care assistance program is not necessary.

27 (b) The commissioner of health shall notify the revisor of statutes in writing  
 28 within 30 days after the United States Department of Health and Human Services  
 29 approves the amendment to the state plan or determines that approval is not necessary  
 30 under (a)(1) or (2) of this section.

31 \* **Sec. 27.** Section 37, ch. 61, SLA 2014, as amended by sec. 40, ch. 101, SLA 2018, is

1 amended to read:

2                   Sec. 37. Sections 1, 2, and 21, **ch. 61, SLA 2014**, [OF THIS ACT] take effect

3                   January 1, **2028** [2025].

4       \* **Sec. 28.** If sec. 11 of this Act takes effect, it takes effect on the day after the date the  
5 United States Department of Health and Human Services approves the corresponding  
6 amendment to the state plan or determines that approval is not necessary.

7       \* **Sec. 29.** Sections 1 - 9 and 11 - 27 of this Act take effect immediately under  
8 AS 01.10.070(c)."