

**CS FOR SENATE BILL NO. 85(L&C)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - FIRST SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Offered: 5/5/23

Referred: Finance

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to national criminal history record checks for certain employees of the  
2 Department of Revenue; relating to permanent fund dividends; and providing for an  
3 effective date."

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

5 \* **Section 1.** AS 12.62.400(c) is amended to read:

6 (c) To obtain a national criminal history record check for determining a  
7 current or prospective employee's qualifications under AS 39.90.210, **a current or**  
8 **prospective employee's qualifications and suitability to administer the permanent**  
9 **fund dividend program under AS 43.23,** or a contractor's qualifications under  
10 AS 36.30.960, the agency or the procurement officer shall submit the current or  
11 prospective employee's or contractor's fingerprints to the department with the fee  
12 established by AS 12.62.160. The department shall submit the fingerprints to the  
13 Federal Bureau of Investigation to obtain a national criminal history record check of  
14 the current or prospective employee or contractor for the purpose of evaluating a

1 person's qualifications under AS 36.30.960, [AND] AS 39.90.210, or AS 43.23, as  
 2 applicable. In this subsection, unless the context otherwise requires,

3 (1) "agency" has the meaning given in AS 39.90.290;

4 (2) "contractor" has the meaning given in AS 36.30.960;

5 (3) "employee" has the meaning given in AS 39.90.290.

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

7 (a) Subject to (b) and (d) of this section, an otherwise eligible individual who  
 8 is absent from the state during the qualifying year remains eligible for a current year  
 9 permanent fund dividend if the individual was absent

10 (1) receiving secondary or postsecondary education on a full-time  
 11 basis; on a break or holiday from a secondary or postsecondary educational  
 12 institution during an academic year, not including summer break, if the  
 13 individual is enrolled in and attends the educational institution on a full-time  
 14 basis before and after the break or holiday; or in an orientation program  
 15 required as a condition of the secondary or postsecondary education and the  
 16 individual immediately begins the education on a full-time basis after the  
 17 completion of the orientation;

18 (2) receiving vocational, professional, or other specific education on a  
 19 full-time basis for which, as determined by the Alaska Commission on Postsecondary  
 20 Education, a comparable program is not reasonably available in the state; on a break  
 21 or holiday from the vocational, professional, or other specific training, not  
 22 including summer break, if the individual is enrolled in and attends the training  
 23 on a full-time basis before and after the break or holiday; or in an orientation  
 24 program required as a condition of the vocational, professional, or other specific  
 25 training and the individual immediately begins the training on a full-time basis  
 26 after the completion of the orientation;

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

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

1 (B) eligible for a current year dividend;

2 (4) serving under foreign or coastal articles of employment aboard an  
3 oceangoing vessel of the United States merchant marine **or attending a vocational**  
4 **program that**

5 **(A) trains students for a career in the United States**  
6 **merchant marine;**

7 **(B) provides seagoing service that meets the requirements**  
8 **of the United States Coast Guard for United States merchant marine**  
9 **credentialing; and**

10 **(C) is approved by the United States Coast Guard;**

11 (5) receiving continuous medical treatment recommended by a  
12 licensed physician or convalescing as recommended by the physician who treated the  
13 illness if the treatment or convalescence is not based on a need for climatic change;

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

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

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

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

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

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

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

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

30 (14) serving as a volunteer in the federal peace corps program;

31 (15) because of training or competing as a member of the United States

1 Olympic Team or a United States national team for an Olympic sport;

2 (16) participating for educational purposes in a student fellowship  
3 sponsored by the United States Department of Education or by the United States  
4 Department of State;

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

7 (A) 180 days in addition to any absence or cumulative absences  
8 claimed

9 (i) under (3) of this subsection if the individual is not  
10 claiming an absence under (1), (2), or (4) - (16) of this subsection; **or**

11 **(ii) under (5) of this subsection if the individual is**  
12 **not claiming an absence under (1) - (4) or (6) - (16) of this**  
13 **subsection;**

14 (B) 120 days in addition to any absence or cumulative absences  
15 claimed under (1) - (3) of this subsection if the individual is not claiming an  
16 absence under (4) - (16) of this subsection but is claiming an absence under (1)  
17 or (2) of this subsection; or

18 (C) 45 days in addition to any absence or cumulative absences  
19 claimed under (1) - (16) of this subsection if the individual is claiming an  
20 absence under (4) - (16) of this subsection.

21 \* **Sec. 3.** AS 43.23.055 is amended to read:

22 **Sec. 43.23.055. Duties of the department.** The department shall

23 (1) annually pay permanent fund dividends from the dividend fund;

24 (2) subject to AS 43.23.011 and (8) of this section, adopt regulations  
25 under AS 44.62 (Administrative Procedure Act) that establish procedures and time  
26 limits for claiming a permanent fund dividend; the department shall determine the  
27 number of eligible applicants by October 1 of the year for which the dividend is  
28 declared and pay the dividends by December 31 of that year;

29 (3) adopt regulations under AS 44.62 (Administrative Procedure Act)  
30 that establish procedures and time limits for an individual upon emancipation or upon  
31 reaching majority to apply for permanent fund dividends not received during minority

1 because the parent, guardian, or other authorized representative did not apply on  
2 behalf of the individual;

3 (4) assist residents of the state, particularly in rural areas, who, because  
4 of language, disability, or inaccessibility to public transportation, need assistance to  
5 establish eligibility and to apply for permanent fund dividends;

6 (5) use a list of individuals ineligible for a dividend under  
7 AS 43.23.005(d) provided annually by the Department of Corrections and the  
8 Department of Public Safety to determine the number and identity of those  
9 individuals;

10 (6) adopt regulations that are necessary to implement AS 43.23.005(d)  
11 and 43.23.048;

12 (7) adopt regulations that establish procedures for the parent, guardian,  
13 or other authorized representative of a disabled individual to apply for prior year  
14 permanent fund dividends not received by the disabled individual because no  
15 application was submitted on behalf of the individual;

16 (8) adopt regulations that establish procedures for an individual to  
17 apply to have a dividend disbursement under AS 37.25.050(a)(2) reissued if it is not  
18 collected within two years after the date of its issuance; however, the department may  
19 not establish a time limit within which an application to have a disbursement reissued  
20 must be filed;

21 (9) provide any information, upon request, contained in permanent  
22 fund dividend records to the child support services agency created in AS 25.27.010, or  
23 the child support enforcement agency of another state, for child support purposes  
24 authorized under law; if the information is contained in an electronic data base, the  
25 department shall provide the requesting agency with either

26 (A) access to the data base; or

27 (B) a copy of the information in the data base and a statement  
28 certifying its contents;

29 (10) establish a fraud investigation unit for the purpose of assisting the

30 (A) Department of Law in the prosecution of individuals who  
31 apply for or obtain a permanent fund dividend in violation of a provision in

1 AS 11, by detecting and investigating those crimes; and

2 (B) commissioner to detect and investigate the claiming or  
3 paying of permanent fund dividends that should not have been claimed by or  
4 paid to an individual and to impose the penalties and enforcement provisions  
5 under AS 43.23.270;

6 (11) adopt regulations under AS 44.62 (Administrative Procedure Act)  
7 so that contributions under AS 43.23.130 are given a priority over donations under  
8 AS 43.23.230 if the total amount of contributions and donations elected by an  
9 applicant exceeds the amount of the permanent fund dividend that the applicant is  
10 entitled to receive;

11 **(12) submit fingerprints and fees to the Department of Public**  
12 **Safety for a national criminal history record check under AS 12.62.400 for the**  
13 **purpose of determining a person's qualifications and suitability for administering**  
14 **the permanent fund dividend program under this chapter.**

15 \* Sec. 4. AS 43.23.140(d) is amended to read:

16 (d) An assignment of or levy, execution, garnishment, attachment, or other  
17 remedy for the collection of debt applied to a dividend for a year may not be accepted  
18 by the department before April 1 of that same year. AS 09.38.080(c) and 09.38.085 do  
19 not apply to a levy on a permanent fund dividend. Upon receipt of a writ of execution  
20 under (a) of this section or another court order, the commissioner shall deliver to the  
21 court that portion of the dividend executed upon along with the case name and  
22 number. At the time payment is made to the court, the department shall send **notice to**  
23 **the court that issued the writ or order and** to the individual at the address provided  
24 in the individual's dividend application **or the electronic mail address at which the**  
25 **individual has consented to receive notices or documents in a verifiable manner,**  
26 **as provided in regulations adopted by the department. The** [AND TO THE  
27 COURT THAT ISSUED THE WRIT OR ORDER A] notice **must contain** [THAT  
28 CONTAINS]

29 (1) notification that all or part of the individual's dividend has been  
30 seized under a writ of execution or court order;

31 (2) the name and address of the court that issued the writ or order;

- 1 (3) the case number for which the writ or order was issued;  
2 (4) the amount seized under the writ or order; and  
3 (5) notification that the individual has 30 days from the date the notice  
4 is mailed in which to file with the court an objection to the seizure if a mistake has  
5 been made.

6 \* **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to  
7 read:

8 TRANSITION: REGULATIONS. The commissioner of revenue may adopt  
9 regulations necessary to implement the changes made by this Act. The regulations take effect  
10 under AS 44.62 (Administrative Procedure Act), but not before the effective date of the law  
11 implemented by the regulation.

12 \* **Sec. 6.** Section 5 of this Act takes effect immediately under AS 01.10.070(c).

13 \* **Sec. 7.** Except as provided in sec. 6 of this Act, this Act takes effect January 1, 2024.