

CS FOR SENATE BILL NO. 12(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY SENATORS DUNBAR, Myers

Offered: 3/14/25

Referred: Finance

Sponsor(s): SENATOR DUNBAR

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to permanent fund dividends for individuals owing child support; and**
2 **relating to applications and qualifications for permanent fund dividends for individuals**
3 **owing child support."**

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

5 *** Section 1.** AS 11.51.120 is amended by adding a new subsection to read:

6 (g) For purposes of (d) of this section, a permanent fund dividend distributed
7 to an individual owed child support under AS 43.23.005(i) is counted as a child
8 support payment.

9 *** Sec. 2.** AS 25.27.020 is amended by adding a new subsection to read:

10 (i) Between January 1 and March 31 of each year, the agency shall provide to
11 the Department of Revenue a list of individuals in arrears under a child support order.
12 On the list, the agency shall indicate, based on existing records and using its
13 investigative powers, each individual that the agency believes is eligible for a
14 permanent fund dividend.

1 * **Sec. 3.** AS 43.23.005 is amended by adding new subsections to read:

2 (i) If, by March 31 of each year, the department has not received an
3 application from an individual who the department believes is eligible for a dividend
4 and who is on the list of individuals in arrears under a child support order provided
5 under AS 25.27.020(i), the department shall file an application on behalf of the
6 individual. At the time of filing the application, the department shall notify the
7 individual in arrears and the individual owed child support that a dividend application
8 has been filed on behalf of the individual in arrears, that the individual in arrears or the
9 individual owed child support may submit evidence of eligibility of the individual in
10 arrears, and that there is no penalty for failure to respond to the notice. If the
11 individual in arrears under a child support order is determined to be eligible for a
12 permanent fund dividend, the department shall distribute the dividend to the individual
13 or individuals owed the child support. AS 09.38 does not apply to a dividend claimed
14 and distributed by the department under this subsection.

15 (j) The department shall deduct seven percent of a dividend distributed under
16 (i) of this section. The amounts deducted under this subsection shall be separately
17 accounted for and deposited into the general fund and may be appropriated by the
18 legislature for administrative costs incurred in implementing (i) of this section.

19 * **Sec. 4.** AS 43.23.015(c) is amended to read:

20 (c) Except as provided in (d) **and (k)** of this section or as may be provided by
21 regulations adopted by the department, an individual must personally sign the
22 application for permanent fund dividends, including the certification of residency
23 required under (b) of this section.

24 * **Sec. 5.** AS 43.23.015 is amended by adding new subsections to read:

25 (k) The application and certification of residency of an individual filed by the
26 department under AS 43.23.005(i) is not required to be signed.

27 (l) For the purpose of an application filed under AS 43.23.005(i), the
28 department may presume that an individual in arrears under a child support order who
29 has previously qualified for a dividend remains eligible for the dividend.

30 * **Sec. 6.** AS 43.23.130 is amended by adding a new subsection to read:

31 (o) The department may not elect to make a contribution under this section

1 from the dividend applied for under AS 43.23.005(i).

2 * **Sec. 7.** AS 43.23.140 is amended by adding a new subsection to read:

3 (e) This section does not apply to a dividend received through an application
4 filed under AS 43.23.005(i). A dividend received through an application filed under
5 AS 43.23.005(i) is not subject to levy, execution, garnishment, attachment, or another
6 remedy for the collection of debt.

7 * **Sec. 8.** AS 43.23.150 is amended by adding a new subsection to read:

8 (d) The Department of Family and Community Services may not claim a
9 permanent fund dividend under this section that is received as a result of an
10 application filed under AS 43.23.005(i).

11 * **Sec. 9.** AS 43.23.160 is amended by adding a new subsection to read:

12 (e) The Alaska Commission on Postsecondary Education may not claim a
13 permanent fund dividend under this section that is received as a result of an
14 application filed under AS 43.23.005(i).

15 * **Sec. 10.** AS 43.23.170 is amended by adding a new subsection to read:

16 (d) The Department of Health may not claim a permanent fund dividend under
17 this section that is received as a result of an application filed under AS 43.23.005(i).

18 * **Sec. 11.** AS 43.23.180 is amended by adding a new subsection to read:

19 (g) The Department of Labor and Workforce Development may not claim a
20 permanent fund dividend under this section that is received as a result of an
21 application filed under AS 43.23.005(i).

22 * **Sec. 12.** AS 43.23.190 is amended by adding a new subsection to read:

23 (e) The University of Alaska may not claim a permanent fund dividend under
24 this section that is received as a result of an application filed under AS 43.23.005(i).

25 * **Sec. 13.** AS 43.23.230 is amended by adding a new subsection to read:

26 (f) The department may not donate any amount under this section from a
27 dividend applied for under AS 43.23.005(i).

28 * **Sec. 14.** The uncodified law of the State of Alaska is amended by adding a new section to
29 read:

30 APPLICABILITY. (a) AS 11.51.120(g), added by sec. 1 of this Act, applies to
31 permanent fund dividends received on or after the effective date of this Act.

1 (b) AS 43.23.005(i) and (j), added by sec. 3 of this Act, AS 43.23.015(c), as amended
2 by sec. 4 of this Act, AS 43.23.015(k) and (l), added by sec. 5 of this Act, AS 43.23.130(o),
3 added by sec. 6 of this Act, AS 43.23.140(e), added by sec. 7 of this Act, AS 43.23.150(d),
4 added by sec. 8 of this Act, AS 43.23.160(e), added by sec. 9 of this Act, AS 43.23.170(d),
5 added by sec. 10 of this Act, AS 43.23.180(g), added by sec. 11 of this Act, AS 43.23.190(e),
6 added by sec. 12 of this Act, and AS 43.23.230(f), added by sec. 13 of this Act, apply to the
7 permanent fund dividend 2025 qualifying year for the 2026 dividend year and thereafter.