

CS FOR SENATE BILL NO. 167(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 4/3/26

Referred: Rules

Sponsor(s): SENATORS KAWASAKI, Myers, Gray-Jackson, Yundt

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to eligibility of criminal offenders for certain benefits, including the**
2 **permanent fund dividend; relating to a permanent fund dividend for an individual**
3 **whose conviction has been vacated, reversed, or dismissed; and relating to the**
4 **calculation of the value of the permanent fund dividend by including payment to**
5 **individuals eligible for a permanent fund dividend because of a conviction that has been**
6 **vacated, reversed, or dismissed."**

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

8 * **Section 1.** AS 43.23.005(d) is amended to read:

9 (d) Notwithstanding the provisions of (a) - (c) of this section, an individual is
10 not eligible for a permanent fund dividend for a dividend year **if** [WHEN]

11 (1) during the qualifying year, the individual was sentenced as a result
12 of conviction in this state of a felony;

13 (2) during all or part of the qualifying year, the individual was

1 incarcerated as a result of the conviction in this state of a

2 (A) felony; or

3 (B) misdemeanor if the individual has been convicted of

4 (i) a prior felony as defined in AS 11.81.900; or

5 (ii) two or more prior misdemeanors as defined in

6 AS 11.81.900; or

7 **(3) the individual is not incarcerated and has ever been convicted**
 8 **of murder in the first or second degree under AS 11.41.100 or 11.41.110 or a**
 9 **similar law in another jurisdiction.**

10 * **Sec. 2.** AS 43.23.005 is amended by adding new subsections to read:

11 (i) An individual who was ineligible to receive a permanent fund dividend for
 12 a dividend year under (d) of this section because of a conviction is eligible to receive
 13 the permanent fund dividend for each year the individual was ineligible if the
 14 individual's conviction is vacated or reversed, and

15 (1) the charges on which the conviction was based are later dismissed
 16 and the dismissal was not part of a plea agreement in another criminal case under Rule
 17 11, Alaska Rules of Criminal Procedure; or

18 (2) the individual is retried and found not guilty.

19 (j) To receive a permanent fund dividend under (i) of this section, the
 20 individual shall apply for the permanent fund dividend not later than one year after the
 21 dismissal or not guilty finding under (i) of this section.

22 * **Sec. 3.** AS 43.23.025(a) is amended to read:

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

25 (1) determining the total amount available for dividend payments,
 26 which equals

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

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

1 (C) less the amount necessary to pay prior year dividends from
 2 the dividend fund in the current year under AS 43.23.005(h) **and (i)**,
 3 43.23.021, and 43.23.055(3) and (7);

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

8 (E) less appropriations from the dividend fund during the
 9 current year, including amounts to pay costs of administering the dividend
 10 program and the hold harmless provisions of AS 43.23.240;

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

14 (3) dividing the amount determined under (1) of this subsection by the
 15 amount determined under (2) of this subsection.

16 * **Sec. 4.** AS 43.23.028(a) is amended to read:

17 (a) By October 1 of each year, the commissioner shall give public notice of
 18 the value of each permanent fund dividend for that year and notice of the information
 19 required to be disclosed under (3) of this subsection. In addition, the stub attached to
 20 each individual dividend disbursement advice must

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

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

27 (3) disclose the amount by which each dividend has been reduced due
 28 to each appropriation from the dividend fund, including amounts to pay the costs of
 29 administering the dividend program and the hold harmless provisions of
 30 AS 43.23.240;

31 (4) include a statement that an individual is not eligible for a dividend

1 **if** [WHEN]

2 (A) during the qualifying year, the individual was convicted of
3 a felony;

4 (B) during all or part of the qualifying year, the individual was
5 incarcerated as a result of the conviction of a

6 (i) felony; or

7 (ii) misdemeanor if the individual has been convicted of
8 a prior felony or two or more prior misdemeanors; **or**

9 **(C) the individual has ever been convicted of murder in the**
10 **first or second degree under AS 11.41.100 or 11.41.110 or a similar law in**
11 **another jurisdiction;**

12 (5) include a statement that the legislative purpose for making
13 individuals listed under **(4)(A) and (B)** [(4)] of this subsection ineligible is to

14 (A) provide funds for services for and payments to crime
15 victims and operating costs of the Violent Crimes Compensation Board;

16 (B) provide funds to pay restitution owed to crime victims;

17 (C) provide funds for grants to nonprofit organizations for
18 services for crime victims and for mental health services and substance abuse
19 treatment for offenders;

20 (D) provide funds for the office of victims' rights;

21 (E) provide funds to the Council on Domestic Violence and
22 Sexual Assault for grants for the operation of domestic violence and sexual
23 assault programs; and

24 (F) obtain reimbursement for some of the costs imposed on the
25 Department of Corrections related to incarceration or probation of those
26 individuals;

27 (6) disclose the total amount that would have been paid during the
28 previous fiscal year to individuals who were ineligible to receive dividends under
29 **AS 43.23.005(d)(1) or (2)** [AS 43.23.005(d)] if they had been eligible;

30 (7) disclose the total amount transferred or appropriated for the current
31 fiscal year under AS 43.23.048 for each of the accounts, funds, and agencies listed in

1 AS 43.23.048.

2 * **Sec. 5.** AS 43.23.048(a) is amended to read:

3 (a) The restorative justice account is created as a separate account in the
4 dividend fund. The commissioner shall transfer from the dividend fund to the
5 restorative justice account each fiscal year an amount equal to the amount that would
6 have been paid during the previous fiscal year to individuals who were ineligible to
7 receive dividends under AS 43.23.005(d)(1) or (2) [AS 43.23.005(d)] if they had been
8 eligible.

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

11 APPLICABILITY. AS 43.23.005(d)(3), as amended by sec. 1 of this Act, applies to
12 eligibility for a permanent fund dividend

13 (1) paid in 2027 and thereafter; and

14 (2) of an individual convicted of murder in the first or second degree under
15 AS 11.41.100 or 11.41.110 or a similar law in another jurisdiction on or after the effective
16 date of this Act.

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

19 TRANSITION. Notwithstanding the time limit for applying for a permanent fund
20 dividend under AS 43.23.005(j), added by sec. 2 of this Act, an individual who is eligible
21 under AS 43.23.005(i), added by sec. 2 of this Act, and whose dismissal or not guilty finding
22 occurred before the effective date of this Act, shall apply for a permanent fund dividend under
23 AS 43.23.005(j), added by sec. 2 of this Act, not later than one year after the effective date of
24 this Act.