

Introduced: 1/26/68
Referred: State Affairs
and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 432

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to contributions required by the
7 Federal Insurance Contributions Act; and providing
8 for an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 39.30.020(a) is amended to read:

11 (a) A state employee whose services are covered by an agreement
12 under paragraph 10 of this chapter shall pay for the period of coverage
13 into the state treasury [CONTRIBUTION FUND], contributions equal to the
14 amount of tax which would be imposed by paragraph 1400 of the Federal
15 Insurance Contributions Act if the services constituted employment
16 within the meaning of that Act. The liability arises in consideration
17 of the employee's retention in the service of the State, or his entry
18 upon service with the Territory of Alaska after March 23, 1951.

19 * Sec. 2. AS 39.30.030(c) is amended to read:

20 (c) A political subdivision which has an approved plan shall pay
21 contributions into the state treasury [CONTRIBUTION FUND] at the rates
22 specified in the agreement and at the time which the department pre-
23 scribes by regulation.

24 * Sec. 3. AS 39.30.030(d) is amended to read:

25 (d) A political subdivision required to make payments under (c)
26 of this section may, in consideration of the employee's retention in,
27 or entry into, employment after March 23, 1951, impose upon each of its
28 employees, as to services which are covered by an approved plan, a
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1 contribution with respect to his wages, not exceeding the amount of
2 tax which would be imposed by paragraph 1400 of the Federal Insurance
3 Contributions Act is the services constituted employment within the
4 meaning of that Act, and may deduct the amount of this contribution
5 from his wages. Contributions so collected shall be paid into the
6 state treasury [CONTRIBUTION FUND] in partial discharge of the liability
7 of the political subdivision or instrumentality under subsection (1)
8 of this section. Failure to deduct the contribution does not relieve
9 the employee or employer of liability for it.

10 * Sec. 4. AS 39.30.040 is repealed and re-enacted to read:

11 Sec. 39.30.040(a) Unless otherwise provided by law, there shall
12 be deposited in the state treasury in trust all contributions collected
13 under Secs. 10-80 of this chapter.

14 (b) The department has power, authority and jurisdiction over
15 this trust and may perform all acts whether or not specifically
16 designated which are necessary to the administration of this trust.

17 (c) This trust shall be used and administered exclusively for
18 the purpose of Sec. 10-80 of this chapter. Withdrawals may be only
19 for (1) payment of amounts required to be paid to the secretary of the
20 treasury by an agreement entered into under Sec. 10 of this chapter;
21 (2) payment of refunds provided for in Sec. 20(c) of this chapter;
22 and (3) refunds of overpayments, not otherwise adjustable, made by a
23 political subdivision or instrumentality.

24 * Sec. 5. This Act shall become effective on the day after its passage
25 and approval or the day it becomes law without approval.
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