

Introduced: 3/22/73
Referred: State Affairs
and Finance

1 IN THE SENATE

BY K. MILLER

2 SENATE BILL NO. 226

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating the state employee aid fund; and
7 providing for an effective date."

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

9 * Section 1. AS 39.20 is amended by adding new sections to read:

10 ARTICLE 5. STATE EMPLOYEE AID FUND.

11 Sec. 39.20.450. DECLARATION OF PURPOSE. The purpose of the state
12 employee aid fund is to financially assist fellow state employees who
13 are unable to continue gainful employment with the state due to injury
14 or illness and who cannot continue to meet necessary household expen-
15 ditures for a prolonged period of time.

16 Sec. 39.20.460. FUND CREATED. There is created an employee aid
17 fund as a special account within the state general fund. The fund
18 shall be used to provide financial assistance to persons selected under
19 the provisions of secs. 450 - 530 of this chapter.

20 Sec. 39.20.470. LIMITS ON AID. A grant or loan to a recipient
21 may not exceed \$1,500 in any fiscal year.

22 Sec. 39.20.480. CONDITIONS OF GRANTS OR LOANS. (a) A grant or
23 loan may only be given to a person who holds, or held immediately before
24 the illness or disability, a permanent or probationary status under
25 employment with the state.

26 (b) A recipient's financial status must be such that benefits
27 received from all sources are not adequate to provide minimal household
28 maintenance for himself and dependents.

29 Sec. 39.20.490. REPAYMENT. (a) The administering authority

1 under sec. 520 of this chapter will decide, based upon a recipient's
2 financial capability, if a loan will have to be repaid and provide a
3 plan of repayment consistent with the ability of the employee to meet
4 the obligation.

5 (b) In the case of the death of the recipient before repaying a
6 loan, the full amount of the loan shall be forgiven.

7 (c) If a loan is in default, the administering authority may
8 notify the recipient that repayment of the balance is accelerated or
9 due upon notice by sending the recipient notice by registered or
10 certified mail.

11 (d) Loans are interest free and do not require security but
12 provision shall be made for the payment of attorney fees and court
13 costs if either or both are incurred in the collection of the unpaid
14 balance on a loan.

15 Sec. 39.20.500. SELECTION CRITERIA. In selecting a recipient
16 from among eligible applicants the administering authority shall take
17 into consideration the following:

- 18 (1) applicant's earning power;
- 19 (2) applicant's current financial obligations;
- 20 (3) applicant's income from all sources;
- 21 (4) applicant's minimal household expenses;
- 22 (5) applicant's other personal resources; and
- 23 (6) other pertinent items as determined by the administering
24 authority to determine eligibility to receive a loan or grant.

25 Sec. 39.20.510. DISCRIMINATION PROHIBITED. Race, creed, sex,
26 color, national origin or membership in fraternal or political organi-
27 zations may not be considered in determining an applicant's eligibility
28 for a loan or grant or in any other determinations made by the admin-
29 istering authority under secs. 450 - 530 of this chapter.

1 Sec. 39.20.520. ADMINISTERING AUTHORITY. (a) The provisions of
2 secs. 450 - 530 of this chapter shall be administered by an uncompen-
3 sated board consisting of three state employees appointed by the
4 director of personnel. Terms of office are for three years and one
5 member shall be selected from each of the three major geographical
6 regions of the state.

7 (b) The commissioner of administration may adopt regulations
8 necessary to carry out the intent and purposes of secs. 450 - 530 of
9 this chapter.

10 Sec. 39.20.530. FUNDING. (a) The state employee aid fund
11 provided for under secs. 450 - 530 of this chapter shall be funded
12 solely by voluntary contributions by state employees who may contribute
13 not more than one day of annual leave a year to the fund.

14 (b) The Department of Administration shall pay to the account of
15 the state employee aid fund an amount equal to the actual value of the
16 total number of days of annual leave contributed under (a) of this
17 section.

18 * Sec. 2. This Act takes effect on the day after its passage and approval
19 or on the day it becomes law without approval.
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