

CS FOR HOUSE BILL NO. 46(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 3/6/23

Referred: Health and Social Services, Finance

Sponsor(s): REPRESENTATIVES FIELDS, Armstrong, Groh, Himschoot, Carrick, Josephson, Gray, Galvin, Dibert, Schrage, Mina

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to education tax credits for certain payments and contributions for**
2 **child care and child care facilities; relating to the insurance tax education credit, the**
3 **income tax education credit, the oil or gas producer education credit, the property tax**
4 **education credit, the mining business education credit, the fisheries business education**
5 **credit, and the fisheries resource landing tax education credit; allowing child care**
6 **providers that receive state aid to organize and collectively bargain with the Department**
7 **of Health; establishing the child care provider fund; providing for an effective date by**
8 **amending the effective date of secs. 1, 2, and 21, ch. 61, SLA 2014, as amended by sec.**
9 **40, ch. 101, SLA 2018; and providing for an effective date."**

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

11 *** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
12 to read:

1 LEGISLATIVE INTENT. It is the intent of the legislature to capitalize the child care
2 provider fund with a one-time \$15,000,000 appropriation to the fund.

3 * **Sec. 2.** AS 21.96.070(a) is amended to read:

4 (a) A taxpayer is allowed a credit against the tax due under AS 21.09.210 or
5 AS 21.66.110 for [CONTRIBUTIONS OF CASH OR EQUIPMENT ACCEPTED]

6 (1) **contributions of cash or equipment accepted** for direct
7 instruction, research, and educational support purposes, including library and museum
8 acquisitions, and contributions to endowment, by an Alaska university foundation or
9 by a nonprofit, public or private, Alaska two-year or four-year college accredited by a
10 national or regional accreditation association;

11 (2) **contributions of cash or equipment accepted** for secondary
12 school level vocational education courses, programs, and facilities by a school district
13 in the state;

14 (3) **contributions of cash or equipment accepted** for vocational
15 education courses, programs, and facilities by a state-operated vocational technical
16 education and training school;

17 (4) **contributions of cash or equipment accepted** for a facility by a
18 nonprofit, public or private, Alaska two-year or four-year college accredited by a
19 national or regional accreditation association;

20 (5) **contributions of cash or equipment accepted** for Alaska Native
21 cultural or heritage programs and educational support, including mentoring and
22 tutoring, provided by a nonprofit agency for public school staff and for students who
23 are in grades kindergarten through 12 in the state; [AND]

24 (6) **contributions of cash or equipment accepted** for education,
25 research, rehabilitation, and facilities by an institution that is located in the state and
26 that qualifies as a coastal ecosystem learning center under the Coastal America
27 Partnership established by the federal government;

28 **(7) expenditures made to operate a child care facility in the state**
29 **for the children of the taxpayer's employees;**

30 **(8) contributions of cash or equipment accepted by a child care**
31 **facility in the state operated by a nonprofit corporation and attended by one or**

1 more children of the taxpayer's employees; and
 2 (9) a payment to an employee of the taxpayer made by the
 3 taxpayer for the purpose of offsetting the employee's child care costs incurred in
 4 the state.

5 * **Sec. 3.** AS 21.96.070(d) is amended to read:

6 (d) A contribution claimed as a credit under this section may not

7 (1) be the basis for a credit claimed under another provision of this
 8 title; and

9 (2) when combined with contributions that are the basis for credits
 10 taken during the taxpayer's tax year under AS 43.20.014, AS 43.55.019,
 11 AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total
 12 amount of credits exceeding **\$3,000,000** [\$1,000,000]; if the taxpayer is a member of
 13 an affiliated group, then the total amount of credits may not exceed **\$3,000,000**
 14 [\$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the
 15 meaning given in AS 43.20.145.

16 * **Sec. 4.** AS 21.96.070 is amended by adding a new subsection to read:

17 (g) Beginning January 1, 2030, and every five years thereafter, the Department
 18 of Labor and Workforce Development shall adjust the dollar limit on credits under (d)
 19 of this section for inflation, using 100 percent of the change over the preceding five
 20 calendar years in the Consumer Price Index for all urban consumers for urban Alaska,
 21 compiled by the Bureau of Labor Statistics, United States Department of Labor.

22 * **Sec. 5.** AS 23.05.360(f) is amended to read:

23 (f) For purposes of holding hearings, the members of the board sit in panels of
 24 three members. The chair designates the panel that will consider a matter. Each panel
 25 must include a representative of management, a representative of labor, and a
 26 representative from the general public. A member of one panel may serve on the other
 27 panel when the chair considers it necessary for the prompt administration of
 28 AS 23.40.070 - 23.40.260 (Public Employment Relations Act), **AS 23.40.300 -**
 29 **23.40.450**, or AS 42.40 (Alaska Railroad Corporation Act).

30 * **Sec. 6.** AS 23.05.370(a) is amended to read:

31 (a) The agency shall

- 1 (1) establish its own rules of procedure;
- 2 (2) exercise general supervision and direct the activities of staff
3 assigned to it by the department;
- 4 (3) prepare and submit to the governor an annual report on labor
5 relations problems it has encountered during the previous year, including
6 recommendations for legislative action; the agency shall notify the legislature that the
7 report is available;
- 8 (4) serve as the labor relations agency under AS 23.40.070 - 23.40.260
9 (Public Employment Relations Act) and carry out the functions specified in that Act;
10 [AND]
- 11 (5) serve as the labor relations agency under AS 23.40.300 -
12 23.40.450 and carry out the functions specified in those sections; and
- 13 (6) serve as the railroad labor relations agency for the Alaska Railroad
14 under AS 42.40 (Alaska Railroad Corporation Act) and carry out the functions
15 specified in that Act.

16 * **Sec. 7.** AS 23.05.380 is amended to read:

17 **Sec. 23.05.380. Regulations.** The agency shall adopt regulations under
18 AS 44.62 (Administrative Procedure Act) to carry out labor relations functions under
19 AS 23.05.360 - 23.05.390, AS 23.40.070 - 23.40.260, AS 23.40.300 - 23.40.450, and
20 AS 42.40.730 - 42.40.890.

21 * **Sec. 8.** AS 23.40 is amended by adding new sections to read:

22 **Article 3. Child Care Provider Organizations.**

23 **Sec. 23.40.300. Bargaining with child care provider organizations.** The
24 Department of Health shall negotiate with and enter into written agreements with child
25 care provider organizations on matters of wages, hours, and other terms and conditions
26 of employment in the child care sector.

27 **Sec. 23.40.310. Rights of child care providers.** Child care providers may self-
28 organize and form, join, or assist an organization to bargain collectively through
29 representatives of their own choosing, and engage in concerted activities for the
30 purpose of collective bargaining or other mutual aid or protection.

31 **Sec. 23.40.320. Collective bargaining unit.** The labor relations agency shall

1 decide in each case, in order to assure to child care providers the fullest freedom in
2 exercising the rights guaranteed by AS 23.40.300 - 23.40.450, the unit appropriate for
3 the purposes of collective bargaining, based on factors that may include community of
4 interest, wages, hours, and other working conditions of the child care providers
5 involved, the history of collective bargaining, and the desires of the child care
6 providers. Bargaining units shall be as large as is reasonable, and unnecessary
7 fragmenting shall be avoided.

8 **Sec. 23.40.330. Representatives and elections.** (a) The labor relations agency
9 shall investigate a petition if the petition is submitted in a manner prescribed by the
10 labor relations agency and is

11 (1) by a child care provider, a group of child care providers, or an
12 organization acting on their behalf alleging that 30 percent of the child care providers
13 in a proposed bargaining unit

14 (A) want to be represented for collective bargaining by a labor
15 or child care provider organization as exclusive representative; or

16 (B) assert that the organization that has been certified or is
17 currently being recognized by the Department of Health as bargaining
18 representative is no longer the representative of the majority of child care
19 providers in the bargaining unit; or

20 (2) by the Department of Health alleging that one or more
21 organizations have presented to it a claim to be recognized as a representative of a
22 majority of child care providers in an appropriate bargaining unit.

23 (b) If the labor relations agency has reasonable cause to believe that a question
24 of representation exists, the agency shall provide for an appropriate hearing upon due
25 notice. If the labor relations agency finds that there is a question of representation, the
26 agency shall direct an election by secret ballot to determine whether or by which
27 organization the child care providers want to be represented and shall certify the
28 results of the election. Nothing in this section prohibits the waiving of hearings by
29 stipulation for the purpose of a consent election in conformity with the regulations of
30 the labor relations agency or an election in a bargaining unit agreed on by the parties.
31 The labor relations agency shall determine who is eligible to vote in an election and

1 shall establish rules governing the election. In an election in which none of the choices
2 on the ballot receives a majority of the votes cast, a runoff election shall be conducted,
3 the ballot providing for selection between the two choices receiving the largest and the
4 second largest number of valid votes cast in the election. If an organization receives
5 the majority of the votes cast in the election it shall be certified by the labor relations
6 agency as exclusive representative of all the child care providers in the bargaining
7 unit.

8 (c) An election may not be held in a bargaining unit or in a subdivision of a
9 bargaining unit if a valid election has been held within the preceding 12 months.

10 (d) Nothing in this chapter prohibits recognition of an organization as the
11 exclusive representative by the Department of Health by mutual consent.

12 (e) An election may not be directed by the labor relations agency in a
13 bargaining unit in which there is in force a valid collective bargaining agreement,
14 except during a 90-day period preceding the expiration date. However, a collective
15 bargaining agreement may not bar an election upon petition of child care providers in
16 the bargaining unit but not parties to the agreement if more than three years have
17 elapsed since the execution of the agreement or the last timely renewal, whichever was
18 later.

19 **Sec. 23.40.340. Unfair labor practices.** (a) The Department of Health or an
20 agent of the Department of Health may not

21 (1) interfere with, restrain, or coerce a child care provider in the
22 exercise of a right guaranteed in AS 23.40.310;

23 (2) dominate or interfere with the formation, existence, or
24 administration of an organization;

25 (3) discriminate against a child care provider for signing or filing an
26 affidavit, petition, or complaint or giving testimony under AS 23.40.300 - 23.40.450;

27 (4) refuse to bargain collectively in good faith with an organization
28 that is the exclusive representative of child care providers in an appropriate unit,
29 including the discussing of grievances with the exclusive representative.

30 (b) An organization or its agents may not

31 (1) restrain or coerce

1 (A) a child care provider in the exercise of the rights
2 guaranteed in AS 23.40.310; or

3 (B) the Department of Health in the selection of the
4 department's representative for the purposes of collective bargaining or the
5 adjustment of grievances;

6 (2) refuse to bargain collectively in good faith with the Department of
7 Health if it has been designated in accordance with the provisions of AS 23.40.300 -
8 23.40.450 as the exclusive representative of child care providers in an appropriate unit.

9 **Sec. 23.40.350. Investigation and conciliation of complaints.** If a verified
10 written complaint by or for a person claiming to be aggrieved by a practice prohibited
11 by AS 23.40.340, or a written accusation that a person subject to AS 23.40.300 -
12 23.40.450 has engaged in a prohibited practice, is filed with the labor relations agency,
13 the agency shall investigate the complaint or accusation. If the labor relations agency
14 determines after the preliminary investigation that probable cause exists in support of
15 the complaint or accusation, the agency shall try to eliminate the prohibited practice
16 by informal methods of conference, conciliation, and persuasion. Nothing said or done
17 during this endeavor may be used as evidence in a subsequent proceeding.

18 **Sec. 23.40.360. Complaint and accusation.** If the labor relations agency fails
19 to eliminate the prohibited practice by conciliation and to obtain voluntary compliance
20 with AS 23.40.300 - 23.40.450, or, before it attempts conciliation, the agency may
21 serve a copy of the complaint or accusation on the respondent. The complaint or
22 accusation and the subsequent procedures shall be handled in accordance with the
23 administrative adjudication portion of AS 44.62 (Administrative Procedure Act).

24 **Sec. 23.40.370. Orders and decisions.** If the labor relations agency finds that
25 a person named in the written complaint or accusation has engaged in a prohibited
26 practice, the labor relations agency shall issue and serve on the person an order or
27 decision requiring the person to cease and desist from the prohibited practice and to
28 take affirmative action that will carry out the provisions of AS 23.40.300 - 23.40.450.
29 If the labor relations agency finds that a person named in the complaint or accusation
30 has not engaged or is not engaging in a prohibited practice, the labor relations agency
31 shall state its findings of fact and issue an order dismissing the complaint or

1 accusation.

2 **Sec. 23.40.380. Enforcement by injunction.** The labor relations agency may
 3 apply to the superior court in the judicial district in which the prohibited practice
 4 occurred for an order enjoining the prohibited acts specified in the order or decision of
 5 the labor relations agency. Upon a showing by the labor relations agency that the
 6 person has engaged or is about to engage in the practice, an injunction, restraining
 7 order, or other order that is appropriate may be granted by the court and shall be
 8 without bond.

9 **Sec. 23.40.390. Power to investigate and compel testimony.** (a) For the
 10 purpose of the investigations, proceedings, or hearings that the labor relations agency
 11 considers necessary to carry out the provisions of AS 23.40.300 - 23.40.450, the labor
 12 relations agency may issue subpoenas requiring the attendance and testimony of
 13 witnesses and the production of relevant evidence.

14 (b) The labor relations agency may administer oaths, examine witnesses, and
 15 receive evidence.

16 (c) The attendance of witnesses and the production of evidence may be
 17 required from any place in the state at any designated place of hearing.

18 (d) If a person refuses to obey a subpoena issued under AS 23.40.300 -
 19 23.40.450, the superior court in the district in which the person resides or is found
 20 may, upon application by the labor relations agency, issue an order requiring the
 21 person to comply with the subpoena.

22 **Sec. 23.40.400. Regulations.** The labor relations agency may adopt regulations
 23 under AS 44.62 (Administrative Procedure Act) to carry out the provisions of
 24 AS 23.40.300 - 23.40.450.

25 **Sec. 23.40.410. Penalty for violation of order or decision.** A person who
 26 violates a provision of an order or decision of the labor relations agency is guilty of a
 27 misdemeanor and is punishable by a fine of not more than \$500.

28 **Sec. 23.40.420. Mediation.** If, after a reasonable period of negotiation over the
 29 terms of a collective bargaining agreement, a deadlock exists between the Department
 30 of Health and an organization, the labor relations agency may appoint a competent,
 31 impartial, disinterested person to act as mediator in any dispute either on its own

1 initiative or upon the request of one of the parties to the dispute. The parties may also
 2 select a mediator by agreement or mutual consent. It is the function of the mediator to
 3 bring the parties together voluntarily under favorable auspices as will tend to carry out
 4 settlement of the dispute, but neither the mediator nor the labor relations agency has
 5 any power of compulsion in mediation proceedings.

6 **Sec. 23.40.430. Monetary terms subject to legislative funding.** (a) The
 7 monetary terms of any agreement entered into under AS 23.40.300 - 23.40.450 are
 8 subject to funding through legislative appropriation.

9 (b) The Department of Health shall submit the monetary terms of an
 10 agreement to the legislature within 10 legislative days after the agreement of the
 11 parties, if the legislature is in session, or within 10 legislative days after the convening
 12 of the next regular session. The complete monetary and nonmonetary terms of a
 13 tentative agreement shall be submitted to the legislature not later than the 60th day of
 14 the legislative session to receive legislative consideration during that calendar year.
 15 However, if the Department of Health has submitted a tentative agreement in a timely
 16 manner and the parties to the agreement decide to renegotiate the terms, the
 17 renegotiated agreement shall be considered to have been submitted in a timely manner.
 18 In this subsection, "tentative agreement" means an agreement that has been reached by
 19 the negotiators for the Department of Health and the bargaining unit but that may not
 20 yet have been ratified by the members of the bargaining unit.

21 **Sec. 23.40.440. Child care providers and organizations.** (a) Nothing in
 22 AS 23.40.300 - 23.40.450

23 (1) forms or terminates an employer-employee legal relationship;

24 (2) changes a child care provider's legal status as a corporation, sole
 25 proprietorship, or other legal entity;

26 (3) is intended to interfere with compliance by a person, the state, or a
 27 political subdivision of the state with a federal law or a requirement of a federal grant
 28 or subsidy;

29 (4) prohibits a child care provider from communicating or attempting
 30 to communicate with another person;

31 (5) requires a child care provider to become a member of an

1 organization that represents child care providers.

2 (b) A child care provider organization may not administer or process
3 payments for day care.

4 **Sec. 23.40.450. Definitions.** In AS 23.40.300 - 23.40.450, unless the context
5 otherwise requires,

6 (1) "child" has the meaning given in AS 47.25.095;

7 (2) "child care provider" means a day care center, family day care
8 home, school for children of preschool age, or other entity licensed under
9 AS 47.32.050 that receives state aid, directly or indirectly, for providing day care of a
10 child not related by blood, marriage, or legal adoption to an owner, operator, or
11 manager of the entity;

12 (3) "collective bargaining" means the performance of the mutual
13 obligation of the Department of Health or the Department of Health's designated
14 representatives and the representative of the child care providers to meet at reasonable
15 times, including meetings in advance of the budget making process, and negotiate in
16 good faith with respect to wages, hours, and other conditions of child care providers,
17 or the negotiation of an agreement, or negotiation of a question arising under an
18 agreement and the execution of a written contract incorporating an agreement reached
19 if requested by either party, but these obligations do not compel either party to agree
20 to a proposal or require the making of a concession;

21 (4) "day care" has the meaning given in AS 47.25.095;

22 (5) "election" means a proceeding conducted by the labor relations
23 agency in which the child care providers in a collective bargaining unit cast a secret
24 ballot for collective bargaining representatives, or for any other purpose specified in
25 AS 23.40.300 - 23.40.450;

26 (6) "labor relations agency" means the Alaska labor relations agency
27 established in AS 23.05.360;

28 (7) "monetary terms of an agreement" means the changes in the terms
29 and conditions of employment resulting from an agreement that

30 (A) will require an appropriation for their implementation;

31 (B) will result in a change in state revenue or productive work

1 hours for child care providers; or

2 (C) addresses child care provider compensation, leave benefits,
3 or health insurance benefits, whether or not an appropriation is required for
4 implementation;

5 (8) "organization" means a labor or employee organization of any kind
6 in which child care providers participate and that exists for the primary purpose of
7 dealing with the Department of Health concerning grievances, labor disputes, wages,
8 rates of pay, hours of employment, and conditions of employment;

9 (9) "state aid" means money paid by the state

10 (A) to provide day care to the child of a person employed by
11 the state;

12 (B) to an organized borough of any class, a unified
13 municipality, or a city of any class to pay a child care provider for providing
14 day care;

15 (C) as the result of a grant under AS 47.25.001 - 47.25.095;

16 (10) "terms and conditions of employment" means the hours of
17 employment, the compensation and fringe benefits, and the Department of Health's
18 policies affecting the working conditions of child care providers, but does not mean
19 the general policies describing the function and purposes of the Department of Health.

20 * **Sec. 9.** AS 37.14 is amended by adding a new section to read:

21 **Article 11. Child Care Provider Fund.**

22 **Sec. 37.14.850. Child care provider fund established.** (a) The child care
23 provider fund is established as a separate fund in the state treasury for the purpose of
24 implementing the monetary terms of an agreement applicable to child care providers
25 entered into under AS 23.40.300 - 23.40.450. Money in the fund does not lapse. The
26 fund consists of

27 (1) money appropriated to the fund;

28 (2) income earned on investment of fund assets; and

29 (3) donations to the fund.

30 (b) For a year in which an agreement applicable to child care providers has not
31 been entered into under AS 23.40.300 - 23.40.450, the Department of Health shall

1 convene a child care stakeholder group to recommend disbursements from the child
 2 care provider fund. The department shall appoint to the stakeholder group members
 3 including child care providers, parents or guardians receiving state child care
 4 assistance, parents or guardians providing in-home child care, early education
 5 specialists, and parents or guardians from families that speak English as a second
 6 language. The stakeholder group must include members representing communities
 7 from across the state, and membership must be evenly distributed between
 8 communities that are connected by road or rail to Anchorage or Fairbanks and those
 9 that are not.

10 (c) The legislature may annually appropriate money from the fund to
 11 implement

12 (1) the monetary terms of an agreement applicable to child care
 13 providers entered into under AS 23.40.300 - 23.40.450; or

14 (2) disbursement recommendations made by a stakeholder group
 15 convened under (b) of this section.

16 (d) Nothing in this section creates a dedicated fund.

17 * **Sec. 10.** AS 43.20.014(a) is amended to read:

18 (a) A taxpayer is allowed a credit against the tax due under this chapter for
 19 [CONTRIBUTIONS OF CASH OR EQUIPMENT ACCEPTED FOR]

20 (1) **contributions of cash or equipment accepted for** direct
 21 instruction, research, and educational support purposes, including library and museum
 22 acquisitions, and contributions to endowment, by an Alaska university foundation, by
 23 a nonprofit, public or private, Alaska two-year or four-year college accredited by a
 24 national or regional accreditation association, or by a public or private nonprofit
 25 elementary or secondary school in the state;

26 (2) **contributions of cash or equipment accepted for** secondary
 27 school level vocational education courses, programs, and facilities by a school district
 28 in the state;

29 (3) **contributions of cash or equipment accepted for** vocational
 30 education courses, programs, equipment, and facilities by a state-operated vocational
 31 technical education and training school, a nonprofit regional training center recognized

1 by the Department of Labor and Workforce Development, and an apprenticeship
 2 program in the state that is registered with the United States Department of Labor
 3 under 29 U.S.C. 50 - 50b (National Apprenticeship Act);

4 (4) **contributions of cash or equipment accepted for** a facility by a
 5 nonprofit, public or private, Alaska two-year or four-year college accredited by a
 6 national or regional accreditation association or by a public or private nonprofit
 7 elementary or secondary school in the state;

8 (5) **contributions of cash or equipment accepted for** Alaska Native
 9 cultural or heritage programs and educational support, including mentoring and
 10 tutoring, provided by a nonprofit agency for public school staff and for students who
 11 are in grades kindergarten through 12 in the state;

12 (6) **contributions of cash or equipment accepted for** education,
 13 research, rehabilitation, and facilities by an institution that is located in the state and
 14 that qualifies as a coastal ecosystem learning center under the Coastal America
 15 Partnership established by the federal government;

16 (7) **contributions of cash or equipment accepted for** the Alaska
 17 higher education investment fund under AS 37.14.750;

18 (8) **contributions of cash or equipment accepted for** funding a
 19 scholarship awarded by a nonprofit organization to a dual-credit student to defray the
 20 cost of a dual-credit course, including the cost of

21 (A) tuition and textbooks;

22 (B) registration, course, and programmatic student fees;

23 (C) on-campus room and board at the postsecondary institution
 24 in the state that provides the dual-credit course;

25 (D) transportation costs to and from a residential school
 26 approved by the Department of Education and Early Development under
 27 AS 14.16.200 or the postsecondary school in the state that provides the dual-
 28 credit course; and

29 (E) other related educational and programmatic costs;

30 (9) **contributions of cash or equipment accepted for** constructing,
 31 operating, or maintaining a residential housing facility by a residential school in the

1 state approved by the Department of Education and Early Development under
2 AS 14.16.200;

3 (10) **contributions of cash or equipment accepted for** childhood
4 early learning and development programs and educational support to childhood early
5 learning and development programs provided by a nonprofit corporation organized
6 under AS 10.20, a tribal entity, or a school district in the state, by the Department of
7 Education and Early Development, or through a state grant;

8 (11) **contributions of cash or equipment accepted for** science,
9 technology, engineering, and math programs provided by a nonprofit agency or a
10 school district for school staff and for students in grades kindergarten through 12 in
11 the state; [AND]

12 (12) **contributions of cash or equipment accepted for** the operation
13 of a nonprofit organization dedicated to providing educational opportunities that
14 promote the legacy of public service contributions to the state and perpetuate ongoing
15 educational programs that foster public service leadership for future generations of
16 residents of the state;

17 **(13) expenditures made to operate a child care facility in the state**
18 **for the children of the taxpayer's employees;**

19 **(14) contributions of cash or equipment accepted by a child care**
20 **facility in the state operated by a nonprofit corporation and attended by one or**
21 **more children of the taxpayer's employees; and**

22 **(15) a payment to an employee of the taxpayer made by the**
23 **taxpayer for the purpose of offsetting the employee's child care costs incurred in**
24 **the state.**

25 * **Sec. 11.** AS 43.20.014(d) is amended to read:

26 (d) A contribution claimed as a credit under this section may not

27 (1) be the basis for a credit claimed under another provision of this
28 title;

29 (2) also be allowed as a deduction under 26 U.S.C. 170 against the tax
30 imposed by this chapter; and

31 (3) when combined with contributions that are the basis for credits

1 taken during the taxpayer's tax year under AS 21.96.070, AS 43.55.019,
 2 AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total
 3 amount of credits exceeding **\$3,000,000** [\$1,000,000]; if the taxpayer is a member of
 4 an affiliated group, then the total amount of credits may not exceed **\$3,000,000**
 5 [\$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the
 6 meaning given in AS 43.20.145.

7 * **Sec. 12.** AS 43.20.014 is amended by adding a new subsection to read:

8 (h) Beginning January 1, 2030, and every five years thereafter, the Department
 9 of Labor and Workforce Development shall adjust the dollar limit on credits under (d)
 10 of this section for inflation, using 100 percent of the change over the preceding five
 11 calendar years in the Consumer Price Index for all urban consumers for urban Alaska,
 12 compiled by the Bureau of Labor Statistics, United States Department of Labor.

13 * **Sec. 13.** AS 43.55.019(a) is amended to read:

14 (a) A producer of oil or gas is allowed a credit against the tax levied by
 15 AS 43.55.011(e) [FOR CONTRIBUTIONS OF CASH OR EQUIPMENT
 16 ACCEPTED FOR]

17 (1) **contributions of cash or equipment accepted for** direct
 18 instruction, research, and educational support purposes, including library and museum
 19 acquisitions, and contributions to endowment, by an Alaska university foundation or
 20 by a nonprofit, public or private, Alaska two-year or four-year college accredited by a
 21 national or regional accreditation association;

22 (2) **contributions of cash or equipment accepted for** secondary
 23 school level vocational education courses, programs, and facilities by a school district
 24 in the state;

25 (3) **contributions of cash or equipment accepted for** vocational
 26 education courses, programs, equipment, and facilities by a state-operated vocational
 27 technical education and training school, a nonprofit regional training center recognized
 28 by the Department of Labor and Workforce Development, and an apprenticeship
 29 program in the state that is registered with the United States Department of Labor
 30 under 29 U.S.C. 50 - 50b (National Apprenticeship Act);

31 (4) **contributions of cash or equipment accepted for** a facility by a

1 nonprofit, public or private, Alaska two-year or four-year college accredited by a
2 national or regional accreditation association;

3 (5) **contributions of cash or equipment accepted for** Alaska Native
4 cultural or heritage programs and educational support, including mentoring and
5 tutoring, provided by a nonprofit agency for public school staff and for students who
6 are in grades kindergarten through 12 in the state;

7 (6) **contributions of cash or equipment accepted for** education,
8 research, rehabilitation, and facilities by an institution that is located in the state and
9 that qualifies as a coastal ecosystem learning center under the Coastal America
10 Partnership established by the federal government; [AND]

11 (7) **contributions of cash or equipment accepted for** the Alaska
12 higher education investment fund under AS 37.14.750;

13 (8) **expenditures made to operate a child care facility in the state**
14 **for the children of the producer's employees;**

15 (9) **contributions of cash or equipment accepted by a child care**
16 **facility in the state operated by a nonprofit corporation and attended by one or**
17 **more children of the producer's employees; and**

18 (10) **a payment to an employee of the producer made by the**
19 **producer for the purpose of offsetting the employee's child care costs incurred in**
20 **the state.**

21 * **Sec. 14.** AS 43.55.019(d) is amended to read:

22 (d) A contribution claimed as a credit under this section may not

23 (1) be the basis for a credit claimed under another provision of this
24 title; and

25 (2) when combined with contributions that are the basis for credits
26 taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,
27 AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total
28 amount of credits exceeding **\$3,000,000** [\$1,000,000]; if the taxpayer is a member of
29 an affiliated group, then the total amount of credits may not exceed **\$3,000,000**
30 [\$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the
31 meaning given in AS 43.20.145.

1 * **Sec. 15.** AS 43.55.019 is amended by adding a new subsection to read:

2 (i) Beginning January 1, 2030, and every five years thereafter, the Department
3 of Labor and Workforce Development shall adjust the limit under (d) of this section
4 for inflation, using 100 percent of the change over the preceding five calendar years in
5 the Consumer Price Index for all urban consumers for urban Alaska, compiled by the
6 Bureau of Labor Statistics, United States Department of Labor.

7 * **Sec. 16.** AS 43.56.018(a) is amended to read:

8 (a) The owner of property taxable under this chapter is allowed a credit
9 against the tax due under this chapter for [CONTRIBUTIONS OF CASH OR
10 EQUIPMENT ACCEPTED FOR]

11 (1) **contributions of cash or equipment accepted for** direct
12 instruction, research, and educational support purposes, including library and museum
13 acquisitions, and contributions to endowment, by an Alaska university foundation or
14 by a nonprofit, public or private, Alaska two-year or four-year college accredited by a
15 national or regional accreditation association;

16 (2) **contributions of cash or equipment accepted for** secondary
17 school level vocational education courses, programs, and facilities by a school district
18 in the state;

19 (3) **contributions of cash or equipment accepted for** vocational
20 education courses, programs, and facilities by a state-operated vocational technical
21 education and training school;

22 (4) **contributions of cash or equipment accepted for** a facility by a
23 nonprofit, public or private, Alaska two-year or four-year college accredited by a
24 national or regional accreditation association;

25 (5) **contributions of cash or equipment accepted for** Alaska Native
26 cultural or heritage programs and educational support, including mentoring and
27 tutoring, provided by a nonprofit agency for public school staff and for students who
28 are in grades kindergarten through 12 in the state;

29 (6) **contributions of cash or equipment accepted for** education,
30 research, rehabilitation, and facilities by an institution that is located in the state and
31 that qualifies as a coastal ecosystem learning center under the Coastal America

1 Partnership established by the federal government; [AND]

2 (7) contributions of cash or equipment accepted for the Alaska
3 higher education investment fund under AS 37.14.750;

4 (8) expenditures made to operate a child care facility in the state
5 for the children of the property owner's employees;

6 (9) contributions of cash or equipment accepted by a child care
7 facility in the state operated by a nonprofit corporation and attended by one or
8 more children of the property owner's employees; and

9 (10) a payment to an employee of the property owner made by the
10 owner for the purpose of offsetting the employee's child care costs incurred in the
11 state.

12 * **Sec. 17.** AS 43.56.018(d) is amended to read:

13 (d) A contribution claimed as a credit under this section may not

14 (1) be the basis for a credit claimed under another provision of this
15 title; and

16 (2) when combined with contributions that are the basis for credits
17 taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,
18 AS 43.55.019, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total
19 amount of credits exceeding \$3,000,000 [\$1,000,000]; if the taxpayer is a member of
20 an affiliated group, then the total amount of credits may not exceed \$3,000,000
21 [\$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the
22 meaning given in AS 43.20.145.

23 * **Sec. 18.** AS 43.56.018 is amended by adding a new subsection to read:

24 (h) Beginning January 1, 2030, and every five years thereafter, the department
25 shall adjust the dollar limit on credits under (d) of this section for inflation, using 100
26 percent of the change over the preceding five calendar years in the Consumer Price
27 Index for all urban consumers for urban Alaska, compiled by the Bureau of Labor
28 Statistics, United States Department of Labor.

29 * **Sec. 19.** AS 43.65.018(a) is amended to read:

30 (a) A person engaged in the business of mining in the state is allowed a credit
31 against the tax due under this chapter for [CONTRIBUTIONS OF CASH OR

EQUIPMENT ACCEPTED FOR]

(1) **contributions of cash or equipment accepted for** direct instruction, research, and educational support purposes, including library and museum acquisitions, and contributions to endowment, by an Alaska university foundation, by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association, or by a public or private nonprofit elementary or secondary school in the state;

(2) **contributions of cash or equipment accepted for** secondary school level vocational education courses, programs, and facilities by a school district in the state;

(3) **contributions of cash or equipment accepted for** vocational education courses, programs, and facilities by a state- operated vocational technical education and training school;

(4) **contributions of cash or equipment accepted for** a facility by a nonprofit, public or private, Alaska two-year or four-year college accredited by a national or regional accreditation association or by a public or private nonprofit elementary or secondary school in the state;

(5) **contributions of cash or equipment accepted for** Alaska Native cultural or heritage programs and educational support, including mentoring and tutoring, provided by a nonprofit agency for public school staff and for students who are in grades kindergarten through 12 in the state;

(6) **contributions of cash or equipment accepted for** education, research, rehabilitation, and facilities by an institution that is located in the state and that qualifies as a coastal ecosystem learning center under the Coastal America Partnership established by the federal government;

(7) **contributions of cash or equipment accepted for** the Alaska higher education investment fund under AS 37.14.750;

(8) **contributions of cash or equipment accepted for** funding a scholarship awarded by a nonprofit organization to a dual-credit student to defray the cost of a dual-credit course, including the cost of

(A) tuition and textbooks;

1 (B) registration, course, and programmatic student fees;

2 (C) on-campus room and board at the postsecondary institution
3 in the state that provides the dual-credit course;

4 (D) transportation costs to and from a residential school
5 approved by the Department of Education and Early Development under
6 AS 14.16.200 or the postsecondary school in the state that provides the dual-
7 credit course; and

8 (E) other related educational and programmatic costs;

9 (9) **contributions of cash or equipment accepted for** constructing,
10 operating, or maintaining a residential housing facility by a residential school
11 approved by the Department of Education and Early Development under
12 AS 14.16.200;

13 (10) **contributions of cash or equipment accepted for** childhood
14 early learning and development programs and educational support to childhood early
15 learning and development programs provided by a nonprofit corporation organized
16 under AS 10.20, a tribal entity, or a school district in the state, by the Department of
17 Education and Early Development, or through a state grant;

18 (11) **contributions of cash or equipment accepted for** science,
19 technology, engineering, and math programs provided by a nonprofit agency or a
20 school district for school staff and for students in grades kindergarten through 12 in
21 the state; [AND]

22 (12) **contributions of cash or equipment accepted for** the operation
23 of a nonprofit organization dedicated to providing educational opportunities that
24 promote the legacy of public service contributions to the state and perpetuate ongoing
25 educational programs that foster public service leadership for future generations of
26 residents of the state;

27 **(13) expenditures made to operate a child care facility in the state**
28 **for the children of the person's employees;**

29 **(14) contributions of cash or equipment accepted by a child care**
30 **facility in the state operated by a nonprofit corporation and attended by one or**
31 **more children of the person's employees; and**

1 **(15) a payment to an employee of the person's business made by**
 2 **the person for the purpose of offsetting the employee's child care costs incurred**
 3 **in the state.**

4 * **Sec. 20.** AS 43.65.018(d) is amended to read:

5 (d) A contribution claimed as a credit under this section may not

6 (1) be the basis for a credit claimed under another provision of this
 7 title; and

8 (2) when combined with contributions that are the basis for credits
 9 taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,
 10 AS 43.55.019, AS 43.56.018, AS 43.75.018, or AS 43.77.045, result in the total
 11 amount of the credits exceeding **\$3,000,000** [\$1,000,000]; if the taxpayer is a member
 12 of an affiliated group, then the total amount of credits may not exceed **\$3,000,000**
 13 [\$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the
 14 meaning given in AS 43.20.145.

15 * **Sec. 21.** AS 43.65.018 is amended by adding a new subsection to read:

16 (h) Beginning January 1, 2030, and every five years thereafter, the department
 17 shall adjust the dollar limit on credits under (d) of this section for inflation, using 100
 18 percent of the change over the preceding five calendar years in the Consumer Price
 19 Index for all urban consumers for urban Alaska, compiled by the Bureau of Labor
 20 Statistics, United States Department of Labor.

21 * **Sec. 22.** AS 43.75.018(a) is amended to read:

22 (a) A person engaged in a fisheries business is allowed a credit against the tax
 23 due under this chapter [FOR CONTRIBUTIONS OF CASH OR EQUIPMENT
 24 ACCEPTED FOR]

25 (1) **contributions of cash or equipment accepted for** direct
 26 instruction, research, and educational support purposes, including library and museum
 27 acquisitions, and contributions to endowment, by an Alaska university foundation, by
 28 a nonprofit, public or private, Alaska two-year or four-year college accredited by a
 29 national or regional accreditation association, or by a public or private nonprofit
 30 elementary or secondary school in the state;

31 (2) **contributions of cash or equipment accepted for** secondary

1 school level vocational education courses, programs, and facilities by a school district
2 in the state;

3 (3) **contributions of cash or equipment accepted for** vocational
4 education courses, programs, and facilities by a state-operated vocational technical
5 education and training school;

6 (4) **contributions of cash or equipment accepted for** a facility by a
7 nonprofit, public or private, Alaska two-year or four-year college accredited by a
8 national or regional accreditation association or by a public or private nonprofit
9 elementary or secondary school in the state;

10 (5) **contributions of cash or equipment accepted for** Alaska Native
11 cultural or heritage programs and educational support, including mentoring and
12 tutoring, provided by a nonprofit agency for public school staff and for students who
13 are in grades kindergarten through 12 in the state;

14 (6) **contributions of cash or equipment accepted for** education,
15 research, rehabilitation, and facilities by an institution that is located in the state and
16 that qualifies as a coastal ecosystem learning center under the Coastal America
17 Partnership established by the federal government;

18 (7) **contributions of cash or equipment accepted for** the Alaska
19 higher education investment fund under AS 37.14.750;

20 (8) **contributions of cash or equipment accepted for** funding a
21 scholarship awarded by a nonprofit organization to a dual-credit student to defray the
22 cost of a dual-credit course, including the cost of

23 (A) tuition and textbooks;

24 (B) registration, course, and programmatic student fees;

25 (C) on-campus room and board at the postsecondary institution
26 in the state that provides the dual-credit course;

27 (D) transportation costs to and from a residential school
28 approved by the Department of Education and Early Development under
29 AS 14.16.200 or the postsecondary school in the state that provides the dual-
30 credit course; and

31 (E) other related educational and programmatic costs;

1 (9) **contributions of cash or equipment accepted for** constructing,
 2 operating, or maintaining a residential housing facility by a residential school
 3 approved by the Department of Education and Early Development under
 4 AS 14.16.200;

5 (10) **contributions of cash or equipment accepted for** childhood
 6 early learning and development programs and educational support to childhood early
 7 learning and development programs provided by a nonprofit corporation organized
 8 under AS 10.20, a tribal entity, or a school district in the state, by the Department of
 9 Education and Early Development, or through a state grant;

10 (11) **contributions of cash or equipment accepted for** science,
 11 technology, engineering, and math programs provided by a nonprofit agency or a
 12 school district for school staff and for students in grades kindergarten through 12 in
 13 the state; [AND]

14 (12) **contributions of cash or equipment accepted for** the operation
 15 of a nonprofit organization dedicated to providing educational opportunities that
 16 promote the legacy of public service contributions to the state and perpetuate ongoing
 17 educational programs that foster public service leadership for future generations of
 18 residents of the state;

19 **(13) expenditures made to operate a child care facility in the state**
 20 **for the children of the person's employees;**

21 **(14) contributions of cash or equipment accepted by a child care**
 22 **facility in the state operated by a nonprofit corporation and attended by one or**
 23 **more children of the person's employees; and**

24 **(15) a payment to an employee of the person's business made by**
 25 **the person for the purpose of offsetting the employee's child care costs incurred**
 26 **in the state.**

27 * **Sec. 23.** AS 43.75.018(d) is amended to read:

28 (d) A contribution claimed as a credit under this section may not

29 (1) be the basis for a credit claimed under another provision of this
 30 title; and

31 (2) when combined with contributions that are the basis for credits

1 taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,
 2 AS 43.55.019, AS 43.56.018, AS 43.65.018, or AS 43.77.045, result in the total
 3 amount of the credits exceeding **\$3,000,000** [\$1,000,000]; if the taxpayer is a member
 4 of an affiliated group, then the total amount of credits may not exceed **\$3,000,000**
 5 [\$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the
 6 meaning given in AS 43.20.145.

7 * **Sec. 24.** AS 43.75.018 is amended by adding a new subsection to read:

8 (h) Beginning January 1, 2030, and every five years thereafter, the Department
 9 of Labor and Workforce Development shall adjust the dollar limit on credits under (d)
 10 of this section for inflation, using 100 percent of the change over the preceding five
 11 calendar years in the Consumer Price Index for all urban consumers for urban Alaska,
 12 compiled by the Bureau of Labor Statistics, United States Department of Labor.

13 * **Sec. 25.** AS 43.77.045(a) is amended to read:

14 (a) A person engaged in a floating fisheries business is allowed a credit
 15 against the tax due under this chapter for [CONTRIBUTIONS OF CASH OR
 16 EQUIPMENT ACCEPTED FOR]

17 (1) **contributions of cash or equipment accepted for** direct
 18 instruction, research, and educational support purposes, including library and museum
 19 acquisitions, and contributions to endowment, by an Alaska university foundation, by
 20 a nonprofit, public or private, Alaska two-year or four-year college accredited by a
 21 national or regional accreditation association, or by a public or private nonprofit
 22 elementary or secondary school in the state;

23 (2) **contributions of cash or equipment accepted for** secondary
 24 school level vocational education courses, programs, and facilities by a school district
 25 in the state;

26 (3) **contributions of cash or equipment accepted for** vocational
 27 education courses, programs, and facilities by a state-operated vocational technical
 28 education and training school;

29 (4) **contributions of cash or equipment accepted for** a facility by a
 30 nonprofit, public or private, Alaska two-year or four-year college accredited by a
 31 national or regional accreditation association or by a public or private nonprofit

1 elementary or secondary school in the state;

2 (5) **contributions of cash or equipment accepted for** Alaska Native
3 cultural or heritage programs and educational support, including mentoring and
4 tutoring, provided by a nonprofit agency for public school staff and for students who
5 are in grades kindergarten through 12 in the state;

6 (6) **contributions of cash or equipment accepted for** education,
7 research, rehabilitation, and facilities by an institution that is located in the state and
8 that qualifies as a coastal ecosystem learning center under the Coastal America
9 Partnership established by the federal government;

10 (7) **contributions of cash or equipment accepted for** the Alaska
11 higher education investment fund under AS 37.14.750;

12 (8) **contributions of cash or equipment accepted for** funding a
13 scholarship awarded by a nonprofit organization to a dual-credit student to defray the
14 cost of a dual-credit course, including the cost of

15 (A) tuition and textbooks;

16 (B) registration, course, and programmatic student fees;

17 (C) on-campus room and board at the postsecondary institution
18 in the state that provides the dual-credit course;

19 (D) transportation costs to and from a residential school
20 approved by the Department of Education and Early Development under
21 AS 14.16.200 or the postsecondary school in the state that provides the dual-
22 credit course; and

23 (E) other related educational and programmatic costs;

24 (9) **contributions of cash or equipment accepted for** constructing,
25 operating, or maintaining a residential housing facility by a residential school
26 approved by the Department of Education and Early Development under
27 AS 14.16.200;

28 (10) **contributions of cash or equipment accepted for** childhood
29 early learning and development programs and educational support to childhood early
30 learning and development programs provided by a nonprofit corporation organized
31 under AS 10.20, a tribal entity, or a school district in the state, by the Department of

1 Education and Early Development, or through a state grant;

2 (11) contributions of cash or equipment accepted for science,
3 technology, engineering, and math programs provided by a nonprofit agency or a
4 school district for school staff and for students in grades kindergarten through 12 in
5 the state; [AND]

6 (12) contributions of cash or equipment accepted for the operation
7 of a nonprofit organization dedicated to providing educational opportunities that
8 promote the legacy of public service contributions to the state and perpetuate ongoing
9 educational programs that foster public service leadership for future generations of
10 residents of the state;

11 (13) expenditures made to operate a child care facility in the state
12 for the children of the person's employees;

13 (14) contributions of cash or equipment accepted by a child care
14 facility in the state operated by a nonprofit corporation and attended by one or
15 more children of the person's employees; and

16 (15) a payment to an employee of the person's business made by
17 the person for the purpose of offsetting the employee's child care costs incurred
18 in the state.

19 * **Sec. 26.** AS 43.77.045(d) is amended to read:

20 (d) A contribution claimed as a credit under this section may not

21 (1) be the basis for a credit claimed under another provision of this
22 title; and

23 (2) when combined with contributions that are the basis for credits
24 taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,
25 AS 43.55.019, AS 43.56.018, AS 43.65.018, or AS 43.75.018, result in the total
26 amount of the credits exceeding \$3,000,000 [\$1,000,000]; if the taxpayer is a member
27 of an affiliated group, then the total amount of credits may not exceed \$3,000,000
28 [\$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the
29 meaning given in AS 43.20.145.

30 * **Sec. 27.** AS 43.77.045 is amended by adding a new subsection to read:

31 (g) Beginning January 1, 2030, and every five years thereafter, the Department

1 of Labor and Workforce Development shall adjust the dollar limit on credits under (d)
2 of this section for inflation, using 100 percent of the change over the preceding five
3 calendar years in the Consumer Price Index for all urban consumers for urban Alaska,
4 compiled by the Bureau of Labor Statistics, United States Department of Labor.

5 * **Sec. 28.** Section 37, ch. 61, SLA 2014, as amended by sec. 40, ch. 101, SLA 2018, is
6 amended to read:

7 Sec. 37. Sections 1, 2, and 21 of this Act take effect January 1, 2028 [2025].

8 * **Sec. 29.** Sections 5 - 9 and 28 of this Act take effect immediately under AS 01.10.070(c).

9 * **Sec. 30.** Except as provided in sec. 29 of this Act, this Act takes effect January 1, 2025.