

# Fiscal Note

State of Alaska  
2022 Legislative Session

Bill Version: HB 142  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB142CS(JUD)-DOR-PFD-2-4-22  
Title: PFD ELIGIBILITY  
Sponsor: MCCARTY  
Requester: (H) STATE AFFAIRS

Department: Department of Revenue  
Appropriation: Taxation and Treasury  
Allocation: Permanent Fund Dividend Division  
OMB Component Number: 981

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Personal Services							
Travel							
Services	7.1						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>7.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

1050 PFD Fund (Other)	7.1						
<b>Total</b>	<b>7.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2022) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2023) cost:** 0.0 (separate capital appropriation required)

**Does the bill create or modify a new fund or account?** No  
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

## ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes  
If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/23

## Why this fiscal note differs from previous version/comments:

Updated for SLA2022 fiscal note template.

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Agency: Department of Revenue

Phone: (907)465-2324  
Date: 02/04/2022 04:30 PM  
Date: 02/04/22

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2022 LEGISLATIVE SESSION

BILL NO. CSHB 142

### Analysis

The proposed legislation places new limitations on active-duty military personnel applying for a permanent fund dividend, requiring that they were stationed in Alaska immediately preceding their deployment. The proposed legislation also repeals the requirement that applicants must have been physically present in Alaska for 72 consecutive hours in the two years that precede the current qualifying year and also makes conforming changes, removing references to that requirement. Lastly, the proposed legislation modifies the framework for allowable absences by repealing the requirement that an applicant who is absent must demonstrate intent to remain an Alaska resident indefinitely and removing criteria used to evaluate that intent.

#### Repeals:

The repeal of AS 43.23.005(a)(4) would eliminate the requirement for anyone to meet the 72 consecutive hours of physical presence in Alaska.

The repeal of AS 43.23.005(f) would eliminate the waiver from the commissioner regarding the requirement to be physically present in Alaska for at least 72 consecutive hours in the prior two calendar years.

The repeal of AS 43.23.008(e) would eliminate the requirement of an individual to prove they intend to return to Alaska and remain in the state.

The fiscal impact of the proposed legislation is one-time administrative and programming work in FY2023.

#### Administrative work at a rate of \$25.00 per hour:

- Modify paper applications and forms to modify absence types, totaling 10 hours
- Update website help content - 5 hours

#### Programming work (standard programming rate of \$120 per hour):

- Modify the absence type to the online application - 8 hours
- Modify the absence type to the DAIS PFD operating system - 10 hours
- Add issue logic in DAIS - 10 hours
- Modify Request for Information Letter - 3 hours
- Create new denial letter - 3 hours
- Modify absence reports - 2 hours

Modify Regulations - 40 hours (average rate \$60 per hour)

#### Total costs - one time only:

Administrative time - \$375.00

Programming - \$4,320.00

Regulation Review and Update - \$2,400.00

Total - \$7,095.00