

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version: HB 110
Fiscal Note Number:
() Publish Date:

Identifier: HB110CS(WAM)-DOR-PFD-3-1-24
Title: PERM FUND; XFER DIVIDEND PROG TO APFC
Sponsor: CARPENTER
Requester: (H) Ways & Means

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)

	FY2025 Appropriation Requested	Included in Governor's FY2025 Request	Out-Year Cost Estimates				
			FY 2025	FY 2025	FY 2026	FY 2027	FY 2028
Personal Services	***			***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	***	0.0	***	***	***	***	***

Fund Source (Operating Only)

None							
Total	***	0.0	***	***	***	***	***

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0						

Estimated SUPPLEMENTAL (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? Yes

(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If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/24

Why this fiscal note differs from previous version/comments:

Updated from SLA2023 to SLA2024 fiscal note template. The fiscal note has also been revised based on a new committee substitute. Previously, the entire division transferred to the Alaska Permanent Fund Corporation (APFC). The committee substitute only moves the Dividend Fund account and dividend disbursement functions to APFC, leaving the majority of the division in place. The fiscal note has changed to indeterminate and the analysis has been revised.

Prepared By:
Division:
Approved By:
Agency:

Genevieve Wojtusik, Director
Permanent Fund Dividend Division
Adam Bryan, Division Operations Manager
Department of Revenue

Phone: (907)500-0302
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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

BILL NO. CSHB110(WAM)

Analysis

This bill transfers the Dividend Fund and dividend payment duties from the Department of Revenue to the Alaska Permanent Fund Corporation (APFC). The Permanent Fund Dividend Division (PFDD) retains the duties and responsibilities to determine eligibility and the amount of each year's dividend, process garnishment requests from all sources, and manage appeals. The division will remit to APFC annual mass dividend payment information and monthly payment requests once eligibility has been determined. APFC would administer the payment to Alaskans and reconcile the Dividend Fund.

Because the payment function is only a small portion of the work being completed in the PFDD there are no anticipated budgetary savings. An indeterminate fiscal note is based on unknown programming changes that are likely needed to facilitate the data transfer to APFC for the corporation to issue dividend payments. PFDD will collaborate with APFC based on the new payment process they develop. PFDD will also require project management resources to ensure this transition happens seamlessly.