

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version: HB 266
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB266-DOR-PFD-3-1-24
Title: PERMANENT FUND DIVIDEND; ROYALTIES
Sponsor: CARRICK
Requester: (H) Ways And 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				
OPERATING EXPENDITURES	FY 2025	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Personal Services							
Travel							
Services	113.0						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	113.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund (UGF)	113.0						
Total	113.0	0.0	0.0	0.0	0.0	0.0	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? 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If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/24

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Agency: Department of Revenue
Phone: (907)500-0302
Date: 03/01/2024
Date: 03/01/24

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

BILL NO. HB266

Analysis

Part of this bill allows Alaskans who are eligible for the Permanent Fund Dividend (PFD) and file their application electronically to elect on their application to direct funds from their dividend payment to the state's general fund or the principal of the permanent fund, in a separate section from those contributions under AS 43.23.130 (Pick.Click.Give). Contributions to Pick.Click.Give will be prioritized and paid before contributions to the general fund. The application would allow contributions in increments of \$25, up to the total amount of the dividend they are entitled to receive. The electronic PFD application will be modified to include an option for Alaskans to contribute with notification that seven percent of the contribution will be used for administrative costs. This type of contribution is excluded from applications being filed on behalf of an Alaskan by a public agency.

There are one-time costs associated with the implementation of the proposed legislation detailed below. The PFD Division is unable to project the amount of general fund revenue generated as a result of the proposed legislation and has therefore indicated the changes in revenue as indeterminate.

Section 8 of the bill states that money from the Dividend Fund cannot be used for implementation costs. Therefore, this fiscal note utilizes unrestricted general funds as the funding source for FY2025. The same section allows for seven percent of the contributions to be used for implementation costs, but collections will not occur until FY2026. Implementation activities must occur in FY2025 prior to the start of the application period beginning in calendar year 2025.

Summary of costs:

(standard programming rate of \$120 per hour)

Modify myPFD online filing application 150 hours; \$18,000

Webmerge: 300 hours; \$36,000

myInfo - 300 hours; \$36,000

Payment Dashboard - 150 hours; \$18,000

Reports - 14 hours; \$1,680

Tax Correspondence - 28 hours; \$3,360

Total hours: 942

Total - \$ 113,040