

FISCAL NOTE

DRAFT

**STATE OF ALASKA
2010 LEGISLATIVE SESSION**

Fiscal Note Number: _____
 Bill Version: HCS CSSB 171(FIN)
 () Publish Date: _____

Identifier (file name): HCS CSSB171(FIN)-REV-PFD-02-12-10 Dept. Affected: Revenue
 Title Dividends for Deceased Applicants RDU Taxation and Treasury
 Component Permanent Fund Dividend Division
 Sponsor Senator Meyer
 Requester House Finance Committee Component Number 981

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required		Information				
	FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES							
Personal Services	84.0		84.0	84.0	84.0	84.0	84.0
Travel							
Contractual	43.5		43.5	43.5	43.5	43.5	43.5
Supplies	5.0		5.0	5.0	5.0	5.0	5.0
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	132.5	0.0	132.5	132.5	132.5	132.5	132.5

CAPITAL EXPENDITURES							
-----------------------------	--	--	--	--	--	--	--

CHANGE IN REVENUES ()							
-------------------------------	--	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF	113.7		113.7	113.7	113.7	113.7	113.7
1005 GF/Program Receipts	18.8		18.8	18.8	18.8	18.8	18.8
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	132.5	0.0	132.5	132.5	132.5	132.5	132.5

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time	1.0		1	1	1	1	1
Part-time							
Temporary							

ANALYSIS: *(Attach a separate page if necessary)*

Adding the Pick.Click.Give online search function increased the complexity of the PFD online application. Bandwidth needs and design decisions contributed to the performance issues experienced this filing season. A wholistic approach to system optimization including design, programming, hardware and software utilization has been recommended to diagnose and remedy issues affecting performance.

This fiscal note assumes that all overhead costs for an employee and general program management would be absorbed by the division.

Prepared by: Deborah M. Bitney, Director Phone 465-4785
 Division Permanent Fund Dividend Division Date/Time 2-8-10; 2:41pm
 Approved by: Ginger Blaisdell, Director Date 2-12-10; 1:30pm
Administrative Services Division

ANALYSIS CONTINUATION

The PFD online application interfaces with programs such as MyAlaska, MyPFD Info, PFD Admin, DAIS (PFD's database) & Pick.Click.Give. Rasmuson Foundation reimbursed the division approximately \$40K in personal services time related to programming and management in addition to the cost for contractors in FY09. PFD Personal Services cost associated with PCG in FY10 is expected to exceed that paid in FY09. While the dollar value of the time spent has been reimbursed by Rasmuson Foundation, PFD programmer time focused on PCG, as opposed to division needs, has resulted in a backlog of projects identified by the division as necessary, thus a Programmer III position is requested.

United Way of Alaska was contracted to qualify the non-profit organizations. The Foraker Group handled marketing and provided support to the non-profits. The division will continue to contract those functions, which is estimated at \$40K in the first year.

Legal fees and appeals costs are estimated at \$2.0K annually. The bandwidth cost associated with this program is estimated to be 2% of the total FY09 cost at \$1.5K

The cost for continuing this program is shown as a General Fund expenditure, as opposed to an expenditure from Permanent Fund earnings. The \$50 application fee to non-profits, at the current participation rate is not sufficient to fund the program's continuation. Fee income to the program has averaged \$18.8K over the past two years. In the first year, 360 non-profits applied and 408 applied the second year.