

# FISCAL NOTE

**STATE OF ALASKA**  
**2012 LEGISLATIVE SESSION**

Bill Version CS HB 336 (ENE)  
 Fiscal Note Number 1  
 () Publish Date \_\_\_\_\_

Identifier (file name) HB336CS(ENE)-DOR-PFD-03-27-12 Dept. Affected Revenue  
 Title Energy Assistance Program & Voucher Appropriation Tax & Treasury  
 Allocation Permanent Fund Dividend  
 Sponsor Representative Thompson  
 Requester House Energy OMB Component Number 981

**Expenditures/Revenues** (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY13	FY13	FY14	FY15	FY16	FY17	FY18
Personal Services	72.9						
Travel							
Services	218.6						
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>291.5</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 (Thousands of Dollars)							
1002	Federal Receipts						
1003	GF Match						
1004	GF	291.5					
1005	GF/Prgm (DGF)						
1037	GF/MH (UGF)						
1178	temp code (UGF)						
<b>TOTAL</b>		<b>291.5</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	2						

CHANGE IN REVENUES							
--------------------	--	--	--	--	--	--	--

**Estimated SUPPLEMENTAL (FY12) operating costs** \_\_\_\_\_ (separate supplemental appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY13) costs** \_\_\_\_\_ (separate capital appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Why this fiscal note differs from previous version (if initial version, please note as such)**

Updated for new CS.

Prepared by Deborah M. Bitney  
 Division Permanent Fund Dividend  
 Approved by Alicia Egan, Legislative Liaison  
Department of Revenue

Phone 465-4785  
 Date/Time 3/28/12 4:02 PM  
 Date 3/29/2012

## FISCAL NOTE

STATE OF ALASKA  
2012 LEGISLATIVE SESSION

BILL NO. CS HB 336 (ENE)

### Analysis

PFD expects this fiscal note to change as more clarification and information is provided to the Department of Revenue. Note corrected fund source

The bill creates an energy benefit by means of a voucher for Adults who are determined eligible for the 2012 PFD. The bill proposes the energy benefit to be distributed no later than December 1, 2012. The bill also tasks the Governor with determining how to make the program permanent through the PFD Division.

PFD expects increased appeals of ineligible applicants because of the value of the benefit added to dividend eligibility, a situation similar to that of the 2008 Resource Rebate at which time the Informal Appeals unit received approximately 900 additional appeals by applicants who were ineligible as a matter of law. Additional appeals staff, Range 12 PFD Tech II is needed to render informal appeals decisions within the statutorily designated time frame of 180 days.

Additionally, approximately 100 additional Formal level appeals were heard by Administrative Law Judges with Office of Administrative Hearings in which the divisions decision the applicant was ineligible was upheld. Increased OAH RSA is expected in the amount of \$113.6K.

As the value and benefit of the annual dividend program increases, so does the potential for fraud. \$105.K is requested to hire a firm to assist the division in auditing existing applicants and creating new audit recommendations for continued assurance that opportunity for fraud is minimized.