MEMORANDUM

State of Alaska

Department of Revenue
Permanent Fund Division

TO: Karen Rehfeld

Director

DATE: October 25, 2012

Office of Management and Budget

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Budget Manager

Department of Revenue - ASD

FROM: Dan DeBartolo SUBJECT: FY 14 PFD Fund Appropriation

Director for Departments of Public Safety

Permanent Fund Dividend Division and Corrections

As required under AS 43.23.028(a)(6), the amount of dividends that would have been paid this year to individuals who were sentenced or incarcerated under AS 43.23.005(d) and would have otherwise been eligible is \$11,163,770.00.

Attached is our calculation for the basis of the FY 14 amount. The amount is based on the total amount of 2012 Permanent Fund Dividends that would have been paid to individuals had they not been determined ineligible because of criminal activities in calendar year 2011 (the qualifying year for the 2012 dividend).

Under AS 43.23.005(d), individuals are not eligible for a dividend if during the qualifying year, the individual was:

- Sentenced as a result of a conviction of a felony;
- Incarcerated as a result of a conviction of a
 - o felony; or
 - misdemeanor if the individual was convicted of a prior felony or two or more prior misdemeanors.

The Departments of Corrections and Public Safety provided the Permanent Fund Dividend Division with a file of **12,824** and **2,123**, respectively incarcerated and/or sentenced during qualifying year 2011. We estimated that **12,715** individuals would have otherwise been eligible had they not been denied a dividend solely because they were sentenced or incarcerated under AS 43.23.005(d). Accordingly, the total amount that would have been otherwise paid to these individuals is \$11,163,770.00 (12,715 individuals multiplied by \$878.00).

cc: Jerry Burnett, Revenue ASD Director Diane Anderson, Revenue ASD Fiscal Officer