

# Fiscal Note

State of Alaska  
2021 Legislative Session

Bill Version: HB 142  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB142-DOR-PFD-4-16-21  
Title: PFD ELIGIBILITY  
Sponsor: MCCARTY  
Requester: (H) JUDICIARY

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)

	FY2022	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2022 Request	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
<b>OPERATING EXPENDITURES</b>	<b>FY 2022</b>	<b>FY 2022</b>						
Personal Services								
Travel								
Services	7.1							
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>7.1</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>	<b>0.0</b>

## Fund Source (Operating Only)

1050 PFD Fund (Other)	7.1							
<b>Total</b>	<b>7.1</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>	<b>0.0</b>

## Positions

Full-time								
Part-time								
Temporary								

## Change in Revenues

None								
<b>Total</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>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2021) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2022) 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If yes, by what date are the regulations to be adopted, amended or repealed? **01/01/22**

## Why this fiscal note differs from previous version/comments:

Initial fiscal note.

Prepared By: <u>Corey Bigelow, PFD Operations Manager</u>	Phone: <u>(907)465-2324</u>
Division: <u>Permanent Fund Dividend Division</u>	Date: <u>04/16/2021 01:00 PM</u>
Approved By: <u>Brian Fechter, Administrative Services Director</u>	Date: <u>04/16/21</u>
Agency: <u>Department of Revenue</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2021 LEGISLATIVE SESSION

BILL NO. HB 142

Analysis

This bill proposes to expand the allowable absences exceptions to include individuals absent from Alaska for more than 180 days because of employment in the aviation industry, as long as other type absences do not exceed 45 days in addition to those allowable for employment in the aviation industry. It will also require a member of the armed forces to physically reside in Alaska under orders of the armed forces immediately before claiming an allowable absence.

The repeal of AS 43.23.005(a)(4) would eliminate the requirement for anyone to meet the 72 consecutive hours of physical presence in Alaska.

The repeal of AS 43.23.005(f) would eliminate the waiver from the commissioner regarding the requirement to be physically present in Alaska for at least 72 consecutive hours in the prior two calendar years.

The repeal of AS 43.23.008(e) would eliminate the requirement of an individual to prove they intend to return to Alaska and remain in the state.

The bill as proposed, determines Alaska residency based on the 30-day rule for those with more than 180 days of allowable absences in each of the preceding 5 consecutive qualifying years. (30-day rule reference AS 43.23.008(d)).

The fiscal impact of the proposed legislation is one-time administrative and programming work in FY2022.

Administrative work at a rate of \$25.00 per hour:

- Modify paper applications and forms to include the new absence types, totaling 10 hours
- Update website help content - 5 hours

Programming work (standard programming rate of \$120 per hour):

- Add the new absence type to the online application - 8 hours
- Add the new absence type to the DAIS PFD operating system - 10 hours
- Add issue logic in DAIS - 10 hours
- Create new Request for Information Letter - 3 hours
- Create new denial letter - 3 hours
- Modify absence reports - 2 hours

Modify Regulations - 40 hours (average rate \$60 per hour)

Total costs - one time only:

Administrative time - \$375.00

Programming - \$4,320.00

Regulation Review and Update - \$2,400.00

Total - \$7,095.00