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February 23, 2023

The Honorable Cathy Tilton Speaker of the House Alaska State Legislature State Capitol, Room 208 Juneau, AK 99801-1182

## Dear Speaker Tilton:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill that expands Permanent Fund Dividend eligibility for certain merchant marines; authorizes the Department of Revenue (DOR) to obtain national criminal history record checks on employees handling highly personal information; and allows DOR to use electronic notice when a levy is made against a permanent fund dividend payment.

This bill proposes amendments to the statutes relating to DOR and the Permanent Fund Dividend program in order to increase security of Alaskan's private information, modernize the department's notice requirements, and clarify dividend eligibility for students, including students training to be merchant marines. Under our current system, Alaskans serving as merchant marines are eligible for an allowed absence when serving aboard a vessel, but Alaskans training to be merchant marines are not provided an allowed absence. The bill remedies this disparity so that Alaskans training to be merchant marines are treated the same as other students.

Moreover, this bill clarifies the meaning of "education on a full-time basis." Due to the variability in educational schedules, certain students lose dividend eligibility due to breaks in the academic year. The bill provides a specific definition for "education on a full-time basis" that includes academic year breaks, excluding summer break, so that students are not penalized based on vagaries in academic schedules.

Additionally, this bill strengthens the security of Alaskan's personal information by authorizing the department to perform national criminal history record checks on employees that have access to the banking and vital records of nearly every citizen of our state. By allowing the department to obtain full background checks, the state will have taken every measure to provide the most secure system possible.

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Finally, the bill updates statutory language to allow for the electronic notice of levy. Many Alaskans apply for the dividend online and consent to be contacted by the Permanent Fund Dividend division via email. Currently, if another individual attempts to place a levy on a dividend payment, DOR is required to contact the levied individual via the postal system. Allowing consent to receive electronic notice of levy will assist Alaskans in receiving vital information in the manner of their choosing.

I urge your prompt and favorable action on this measure.

Sincerely,

Mike Dunleavy Governor

Enclosure