

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version: HB 110
 Fiscal Note Number: _____
 () Publish Date: _____

Identifier: HB110CS(WAM)-DOR-PFD-3-1-24
 Title: PERM FUND; XFER DIVIDEND PROG TO APFC
 Sponsor: CARPENTER
 Requester: (H) Ways & Means

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)

	FY2025	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2025 Request	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
OPERATING EXPENDITURES	FY 2025	FY 2025					
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	***	0.0	***	***	***	***	***

Fund Source (Operating Only)

None							
Total	***	0.0	***	***	***	***	***

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? Yes
(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 If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/24

Why this fiscal note differs from previous version/comments:

Updated from SLA2023 to SLA2024 fiscal note template. The fiscal note has also been revised based on a new committee substitute. Previously, the entire division transferred to the Alaska Permanent Fund Corporation (APFC). The committee substitute only moves the Dividend Fund account and dividend disbursement functions to APFC, leaving the majority of the division in place. The fiscal note has changed to indeterminate and the analysis has been revised.

Prepared By: <u>Genevieve Wojtusik, Director</u>	Phone: (907)500-0302
Division: <u>Permanent Fund Dividend Division</u>	Date: 03/01/2024 04:30 PM
Approved By: <u>Adam Bryan, Division Operations Manager</u>	Date: 03/01/24
Agency: <u>Department of Revenue</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

BILL NO. CSHB110(WAM)

Analysis

This bill transfers the Dividend Fund and dividend payment duties from the Department of Revenue to the Alaska Permanent Fund Corporation (APFC). The Permanent Fund Dividend Division (PFDD) retains the duties and responsibilities to determine eligibility and the amount of each year's dividend, process garnishment requests from all sources, and manage appeals. The division will remit to APFC annual mass dividend payment information and monthly payment requests once eligibility has been determined. APFC would administer the payment to Alaskans and reconcile the Dividend Fund.

Because the payment function is only a small portion of the work being completed in the PFDD there are no anticipated budgetary savings. An indeterminate fiscal note is based on unknown programming changes that are likely needed to facilitate the data transfer to APFC for the corporation to issue dividend payments. PFDD will collaborate with APFC based on the new payment process they develop. PFDD will also require project management resources to ensure this transition happens seamlessly.