

SENATE BILL NO. 135 am

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Amended: 4/13/95

Introduced: 3/17/95

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to permanent fund dividend program notice requirements, to the
2 ineligibility for dividends of individuals convicted of felonies or incarcerated for
3 misdemeanors, and to the determination of the number and identity of certain
4 ineligible individuals; and providing for an effective date."

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 * **Section 1. PURPOSES.** The purposes of the amendments made to AS 43.23.005(d) and
7 43.23.028(b) in this Act are to obtain

8 (1) a source of additional funding for the state agencies listed in
9 AS 43.23.028(b); and

10 (2) reimbursement for some of the costs imposed on the state criminal justice
11 system related to apprehension, prosecution, conviction, incarceration, or probation of
12 individuals convicted of a felony and individuals who are chronic misdemeanants as
13 demonstrated by their being incarcerated as a result of a third or subsequent misdemeanor
14 conviction.

1 * **Sec. 2.** AS 43.23.005(d) is amended to read:

2 (d) Notwithstanding the provisions of (a) - (c) of this section, an individual
3 [WHO HAS BEEN CONVICTED OF A FELONY] is not eligible for a permanent
4 fund dividend for a **dividend** year when

5 **(1) during the calendar year immediately preceding that dividend**
6 **year the individual was convicted of a felony;**

7 **(2) [,] during all or part of the [PREVIOUS] calendar year immediately**
8 **preceding that dividend year,** as a result of the conviction **of a felony** the individual
9 **was [IS] incarcerated; or**

10 **(3) during all or part of the calendar year immediately preceding**
11 **that dividend year, as a result of a third or subsequent conviction of a**
12 **misdemeanor, the individual was incarcerated.**

13 * **Sec. 3.** AS 43.23.028 is amended to read:

14 Sec. 43.23.028. PUBLIC NOTICE. (a) By October 1 of each year, the
15 commissioner shall give public notice of the value of each permanent fund dividend
16 for that year. The notice and the stub attached to each individual dividend check must
17 [DISCLOSE THE AMOUNT]

18 (1) **disclose the amount** of each dividend attributable to income earned
19 by the permanent fund from deposits to that fund required under art. IX, sec. 15,
20 Constitution of the State of Alaska;

21 (2) **disclose the amount** of each dividend attributable to income earned
22 by the permanent fund from appropriations to that fund and from amounts added to
23 that fund to offset the effects of inflation; [AND]

24 (3) **disclose the amount** by which each dividend has been reduced due
25 to each appropriation from the dividend fund, including amounts to pay the costs of
26 administering the dividend program and the hold harmless provisions of AS 43.23.075;

27 **(4) disclose the total amount that would have been paid during the**
28 **current fiscal year to individuals who are ineligible to receive dividends under**
29 **AS 43.23.005(d) if they had been eligible;**

30 **(5) include a statement that an individual is not eligible for this**
31 **dividend when**

1 (A) during the calendar year immediately preceding this
2 dividend year the individual was convicted of a felony;

3 (B) during all or part of the calendar year immediately
4 preceding this dividend year, as a result of the conviction of a felony, the
5 individual was incarcerated; or

6 (C) during all or part of the calendar year immediately
7 preceding this dividend year, as a result of a third or subsequent
8 conviction of a misdemeanor, the individual was incarcerated;

9 (6) include a statement that the legislative purpose for making
10 individuals listed under (5) of this subsection ineligible is reimbursement for some
11 of the costs imposed on the state criminal justice system related to apprehension,
12 prosecution, conviction, incarceration, or probation of individuals convicted of
13 a felony and individuals who are chronic misdemeanants as demonstrated by their
14 being incarcerated as a result of a third or subsequent misdemeanor conviction;
15 and

16 (7) disclose the total amount appropriated for the current fiscal
17 year under (b) of this section for each of the separate categories listed.

18 (b) To the extent that amounts appropriated for a fiscal year do not
19 exceed the total amount that would have been paid during that same fiscal year
20 to individuals who are ineligible to receive dividends under AS 43.23.005(d) if they
21 had been eligible, the [THE] notice requirements of (a)(3) [(a)] of this section do not
22 apply to appropriations from the dividend fund to the

23 (1) crime victim compensation fund established under AS 18.67.162;

24 (2) [, TO THE] council on domestic violence and sexual assault
25 established under AS 18.66.010;

26 (3) Department of Revenue for operations of the child support
27 enforcement agency;

28 (4) Department of Public Safety;

29 (5) Department of Law; [,] or

30 (6) [TO THE] Department of Corrections [TO THE EXTENT THAT
31 AMOUNTS APPROPRIATED FOR A FISCAL YEAR DO NOT EXCEED THE

1 TOTAL AMOUNT THAT WOULD HAVE BEEN PAID DURING THE PREVIOUS
2 FISCAL YEAR TO INDIVIDUALS WHO ARE INELIGIBLE TO RECEIVE
3 DIVIDENDS UNDER AS 43.23.005(d) IF THEY HAD BEEN ELIGIBLE].

4 * **Sec. 4.** AS 43.23.028 is amended by adding a new subsection to read:

5 (c) The governor may submit recommendations to the legislature regarding
6 appropriations to be made under (b) of this section.

7 * **Sec. 5.** AS 43.23.055 is amended to read:

8 Sec. 43.23.055. DUTIES OF THE DEPARTMENT. The department shall

9 (1) annually pay permanent fund dividends from the dividend fund;

10 (2) subject to AS 43.23.011 and paragraph (8) of this section, adopt
11 regulations under AS 44.62 (Administrative Procedure Act) that establish procedures
12 and time limits for claiming a permanent fund dividend; the department shall determine
13 the number of eligible applicants by October 1 of the year for which the dividend is
14 declared and pay the dividends by December 31 of that year;

15 (3) adopt regulations under AS 44.62 (Administrative Procedure Act)
16 that establish procedures and time limits for an individual upon emancipation or upon
17 reaching majority to apply for permanent fund dividends not received during minority
18 because the parent, guardian, or other authorized representative did not apply on behalf
19 of the individual;

20 (4) assist residents of the state, particularly in rural areas, who because
21 of language, disability, or inaccessibility to public transportation need assistance to
22 establish eligibility and to apply for permanent fund dividends;

23 (5) **use a list of individuals ineligible for a dividend under**
24 **AS 43.23.005(d) provided annually by** [ANNUALLY DETERMINE, IN
25 COOPERATION WITH] the Department of Corrections **and the Department of**
26 **Public Safety to determine** [,] the number and identity of **those** individuals
27 [INELIGIBLE FOR A PERMANENT FUND DIVIDEND UNDER AS 43.23.005(d)];

28 (6) adopt regulations that are necessary to implement AS 43.23.005(d);

29 (7) adopt regulations that establish procedures for the parent, guardian,
30 or other authorized representative of a disabled individual to apply for prior year
31 permanent fund dividends not received by the disabled individual because no

1 application was submitted on behalf of the individual;

2 (8) adopt regulations that establish procedures for an individual to apply
3 to have a dividend warrant reissued if it is returned to the department as undeliverable
4 or it is not paid within two years of the date of its issuance; however, the department
5 may not establish a time limit within which an application to have a warrant reissued
6 must be filed;

7 (9) adopt regulations establishing an optional longevity bonus program
8 to provide for the direct payment by the department of an individual's permanent fund
9 dividend to an annuity program selected by the individual.

10 * **Sec. 6.** Notwithstanding the amendment to AS 43.23.005(d) made in sec. 2 of this Act,
11 for purposes of determining eligibility for 1996 dividends, AS 43.23.005(d) shall be applied
12 as though it had not been amended by this Act. The amendments made by sec. 2 of this Act
13 apply only to individuals convicted of offenses committed after the effective date of that bill
14 section. Convictions for offenses committed before the effective date of that bill section may
15 not be considered in determining the number of prior convictions for purposes of applying
16 AS 43.23.005(d)(3).

17 * **Sec. 7.** Notwithstanding the amendment to AS 43.23.028(b) made in sec. 3 of this Act,
18 the notice requirements of AS 43.23.028(a) do not apply to appropriations from the dividend
19 fund made for fiscal year 1996 to the crime victim compensation fund established under
20 AS 18.67.162, to the Council on Domestic Violence and Sexual Assault established under
21 AS 18.66.010, to the Department of Revenue for operations of the child support enforcement
22 agency, to the Department of Public Safety, to the Department of Law, or to the Department
23 of Corrections to the extent that amounts appropriated do not exceed the total amount that
24 would have been paid during fiscal year 1995 and fiscal year 1996 to individuals who are
25 ineligible to receive dividends under AS 43.23.005(d) if they had been eligible.

26 * **Sec. 8.** Sections 3 and 5 of this Act are retroactive to January 1, 1995.

27 * **Sec. 9.** Sections 1, 3, 5, 7, and 8 of this Act take effect immediately under
28 AS 01.10.070(c).

29 * **Sec. 10.** Sections 2 and 6 of this Act take effect January 1, 1996.

30 * **Sec. 11.** Section 4 of this Act takes effect January 1, 1997.