

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 340
 (S) Publish Date: 4/10/02

Revision Date/Time (Note if correction): 3/11/2002 Dept. Affected: Revenue
 Title Hold-Harmless Provisions BRU Revenue Operations
of PFD Program Component Permanent Fund Dividend
 Sponsor Senate Rules Committee
 Requester Senate Finance Component No. 981

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would amend certain statutory provisions that allow the use of Permanent Fund dividend funds to provide public assistance benefits for some public assistance recipients who otherwise would lose their benefits in the month they receive the annual dividend and their income exceeds the level allowed for public assistance.

The cost of this provision, called the Hold-Harmless Provision, was \$27.34 per dividend recipient in 2001, in that the use of dividend funds reduces the amount of money available for distribution under the dividend program. The elimination of the Hold-Harmless Provision under this legislation for all public assistance recipients except for SSI and adult public assistance recipients would increase the dividend to eligible Alaskans by approximately \$16 unless the money were appropriated to another purpose. The amount will vary each year, depending on the amount of the dividend and the number of public assistance recipients covered by the provision.

We do not expect this bill will affect the Permanent Fund Dividend Division's operating budget.

Prepared by: Nanci A. Jones, Director Phone 465-2323
 Division: Permanent Fund Dividend Division Date/Time 3/11/02 12:05 PM
 Approved by: Larry Persily, Deputy Commissioner Date 3/11/2002
 Agency: Department of Revenue