

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHB 411(STA)
 (H) Publish Date: 4/22/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title PF Dividend Application Records RDU Revenue Programs & Services
Private Component Permanent Fund Dividend
 Sponsor Representative Croft
 Requester House State Affairs Component No. 981

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	16.5					
Travel						
Contractual	15.0					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	31.5	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						
Permanent Fund Dividend Fund	31.5					
TOTAL	31.5	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time						
Part-time	3					
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See Attached for analysis.

Prepared by: Sharon Bardon, Director Phone (907) 465-4785
 Division Permanent Fund Dividend Division Date/Time 4/12/04 9:32 AM
 Approved by: Steve Porter, Deputy Commissioner Date 4/12/2004
 Agency Department of Revenue

FISCAL NOTE #1

STATE OF ALASKA
2004 LEGISLATIVE SESSION

BILL NO. CSHB 411(STA)

ANALYSIS CONTINUATION

HB 411 - Fiscal Note Analysis

HB 411 proposes a check off on the annual Permanent Fund Dividend application to require the applicant's name and address be kept confidential. The bill allows the confidential name and address information to be released to a state or federal agency; in compliance with a court order or as directed by the individual. It is currently the policy of the division to publish names and mailing addresses only. In some cases, the physical and mailing address will be the same.

Most state and federal agencies access our data via the division web page.

The division projects that most applicants, given the option, will request their information be kept confidential.

Fiscal impacts on the division include:

- Implementation - \$15.0 Reprogramming of the Dividend Application Information System and the associated mainframe applications can be accomplished for the 2005 dividend cycle in the course of a re-write of those applications currently underway. However, implementation of the re-writes is dependant on other system upgrades to be funded in a pending CIP request (PFD Image System Upgrades). This additional work may be done by contract to meet the deadline.
- Subsequent changes to individual records -\$3.5 The cost impact of processing requests from applicants who will need or want to change their check-off mid-cycle is difficult to estimate.
- Garnishments – \$13.0 Currently the division provides a file of all applicants to governmental agencies that want to garnishee dividends. These agencies match the PFD file with their records using our unique identifier (ALN) and submit garnishments only for those who match. The bill as written does not allow sharing of the information with local government agencies. If we cannot share the file, or if the file is not complete, local government agencies will submit their full lists to PFD and we will have to do the matching process. Approximately 60,000 garnishments will need to be keyed into the system and matched.

• Other considerations:

The PFD Applicant file has become the state's data base of name and address information. Use of the PFD file is woven into the workings of many programs and businesses around the state. For example, it is used by local government law enforcement and assessors, native corporations, process servers, research entities, university and high school students, and private investigators.

HB 411 - Recommended Changes/Considerations

- This bill would plug only one hole in the problem of protecting vulnerable Alaskans; name and address information is available from other public sources. Better protection would be provided if vulnerable individuals used a post office box instead of a physical address.

• If the bill moves forward, the following changes would reduce the cost of the bill:

- 1) include "local" in Section 1, line 12 – Including local government entities among those who could access the confidential data would reduce the fiscal note by \$13.0 (the cost of keying and matching garnishments)