

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 273(FIN)
 (H) Publish Date: 2/17/06

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title Delayed PFD Dividends RDU Revenue Programs & Support
 Component Permanent Fund Dividend
 Sponsor Weyhrauch, et al
 Requester _____ Component No. 981

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
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 (GF)	331.2	*	*	*	*	*
----------------------------------	--------------	---	---	---	---	---

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 (FY2006) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

HB 273 delays payments of dividends for Alaskans who are out of state for more than two years on an allowable absence of more than 180 days until the individual returns to Alaska for one year without an absence of more than 180 days.

PFD Division will review all applications for applicants with allowable absences exceeding 180 days for more than two years. If otherwise eligible, the application will be conditionally approved and paid only if the individual returns to Alaska for one year without an absence exceeding 180 days.

Each year, the division will calculate and reserve in the Permanent Fund Dividend Fund the amount

Prepared by: Sharon Barton Phone 465-4785
 Division Permanent Fund Dividend Date/Time 2/7/06 12:00 AM
 Approved by: Jerry Burnett Date _____
 Agency Department of Revenue

FISCAL NOTE #2

**STATE OF ALASKA
2006 LEGISLATIVE SESSION**

BILL NO. CSHB 273(FIN)

ANALYSIS CONTINUATION

projected to be necessary to pay conditionally approved dividends.

Interest earned on funds held for delayed payments is projected at the 2005 dividend amount, \$845, and the current interest rate of 3.7%. The Interest amount in 2008 and beyond depends on too many variables to project with any accuracy: amount of the dividend, interest rate, number of new absentees, and number who do not return from prior years and continue to apply. Interest earned will be deposited in the General Fund.

Implementation costs will be minimal and can be covered within the PFD 2007 budget.