

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 215
 (S) Publish Date: 3/24/06

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title Energy dividend for 2005 RDU Revenue Programs & Support
 Component Permanent Fund Dividend
 Sponsor Therriault & Kookesh
 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	0.0					
Travel						
Contractual	0.0					
Supplies	0.0					
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						
Permanent Fund Dividend Fund	0.0					
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2006) cost: 655.8 Permanent Fund Dividend Fund
 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	1					

ANALYSIS: (Attach a separate page if necessary)

The Energy Dividend appropriation will be made to the Permanent Fund Dividend Fund; a \$250 payment will be made to each of the approximately 600,000 individuals who qualified for the 2005 PFD. The bill requires payments to be made by March 31, 2006. Garnishments will be accepted and applied. Process servers and agencies that garnish will need to file new garnishments which will need to be keyed into the payment system.

The PFD payment system is an old and cumbersome system designed to make only one payment per year to any one individual. To execute and account for this one time energy dividend, the system must essentially be re-built. It is estimated that it would take five programmers three months to complete the work.

Prepared by: Sharon Barton Phone 465-4785
 Division Permanent Fund Dividend Division Date/Time January 24, 2006
 Approved by: Jerry Burnett, ASD Date _____
 Agency Department of Revenue

FISCAL NOTE # 1

STATE OF ALASKA
2006 LEGISLATIVE SESSION

BILL NO. SB 215

ANALYSIS CONTINUATION

The department could not implement the program by March 31, 2005 as required by this bill.

All costs in this fiscal note could be avoided if the energy dividend were added to the 2006 Permanent Fund Dividend payment.

Projected costs are summarized below:

Personal Services	\$ 20.0	\$ 20.0
(Oversee contract, testing, key garnishments)		
Contractual		625.9
System programming (contract)	400.0	
Direct deposit fees	17.6	
Print warrants/advices	41.1	
ETS - MICS charges (testing/runs)	25.0	
Postage	112.2	
Mailroom charges	30.0	
Supplies		
Warrant/Advice stock/envelopes	9.9	9.9
	<hr/>	<hr/>
	\$ 655.8	\$655.8