

FISCAL NOTE

STATE OF ALASKA
2009 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: **CSSB 171(FIN)**
 (S) Publish Date: 4/14/09

Identifier (file name): CSSB171(STA)-DOR-PFD-04-09-09 Dept. Affected: O4
 Title: PFD Dividends to Deceased Individuals RDU: Taxation and Treasury
 Component: Permanent Fund Dividend Division
 Sponsor: Senator Meyer
 Requester: Senate Finance Committee Component Number: 981

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
OPERATING EXPENDITURES								
Personal Services	57.2		57.2	57.2	57.2	57.2	57.2	57.2
Travel								
Contractual	27.0		27.0	27.0	27.0	27.0	27.0	27.0
Supplies	2.5		2.5	2.5	2.5	2.5	2.5	2.5
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING	86.7	0.0	86.7	86.7	86.7	86.7	86.7	86.7
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 Interagency Receipts	86.7		86.7	86.7	86.7	86.7	86.7	86.7
TOTAL	86.7	0.0	86.7	86.7	86.7	86.7	86.7	86.7

Estimate of any current year (FY2009) cost: 0.0

POSITIONS

Full-time	1.0		1	1	1	1	1
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

Historically, approx. 3,500 people die in Alaska each year. It is understood that all absence and eligibility rules will apply to deceased individuals, therefore, it is presumed that approx 1,750 people per year will qualify for this provision. Application on behalf of a deceased person will create an automatic eligibility case that must be assigned to a technician and worked. The average time a technician can expect to put into an deceased individual's eligibility case is estimated at one hour. This includes public response time in answering the many questions the executors of the estates will have regarding the deceased individuals eligibility as well as time spent reviewing documents, requesting information and writing letters. 1,750 man hours translates to 50 weeks or one full time position.

Prepared by: Deborah M. Bitney Phone 465-4785
 Division: Permanent Fund Dividend Date/Time 4/9/09 3:23 PM
 Approved by: Ginger Blaisdell, Director Date 4/9/2009
Administrative Services Division

FISCAL NOTE #2

**STATE OF ALASKA
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BILL NO. CSSB 171(FIN)

ANALYSIS CONTINUATION

It is expected that 100 of those applications will result in denial/appeal which translates to one full month of Appeals technician time, adding to the backlog that currently exists. OAH typically spends 15-20 hours at \$135 hour per case. This is estimated to increase our costs of Formal hearings by as much as \$27,000 annually. Supply cost is based solely on increased 1099 mailing.

1,750 additional complicated cases annually is not something the division can absorb without increased staffing. At current staffing levels, regular eligiblity casework is not complete for a given year until well into the 4th month of the following year. Applicants who appeal at the informal level can expect resolution of their case to take approximately 8 months.