

**CS FOR SENATE BILL NO. 104(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 3/31/14

Referred: Rules

Sponsor(s): SENATORS DYSON, Fairclough, Gardner, Ellis, French, Dunleavy, Micciche, Wielechowski, Coghill, McGuire, Bishop, Egan, Giessel, Huggins

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to appropriations from the dividend fund; creating the criminal fund;**  
2 **relating to appropriations from the criminal fund for payments for crime victims,**  
3 **operating costs of the Violent Crimes Compensation Board, grants for the operation of**  
4 **sexual assault response teams and domestic violence intervention projects, and**  
5 **incarceration costs; and providing for an effective date."**

6 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

7 **\* Section 1.** AS 43.23.028 is amended to read:

8 **Sec. 43.23.028. Public notice.** (a) By October 1 of each year, the  
9 commissioner shall give public notice of the value of each permanent fund dividend  
10 for that year and notice of the information required to be disclosed under (3) of this  
11 subsection. In addition, the stub attached to each individual dividend disbursement  
12 advice must

13 (1) disclose the amount of each dividend attributable to income earned

1 by the permanent fund from deposits to that fund required under art. IX, sec. 15,  
2 Constitution of the State of Alaska;

3 (2) disclose the amount of each dividend attributable to income earned  
4 by the permanent fund from appropriations to that fund and from amounts added to  
5 that fund to offset the effects of inflation;

6 (3) disclose the amount by which each dividend has been reduced due  
7 to each appropriation from the dividend fund, including amounts to pay the costs of  
8 administering the dividend program and the hold harmless provisions of  
9 AS 43.23.075;

10 (4) include a statement that an individual is not eligible for a dividend  
11 when

12 (A) during the qualifying year, the individual was convicted of  
13 a felony;

14 (B) during all or part of the qualifying year, the individual was  
15 incarcerated as a result of the conviction of a

16 (i) felony; or

17 (ii) misdemeanor if the individual has been convicted of  
18 a prior felony or two or more prior misdemeanors;

19 (5) include a statement that the legislative purpose for making  
20 individuals listed under (4) of this subsection ineligible is to

21 (A) **provide funds for services for and payments to crime**  
22 **victims and operating costs of the Violent Crimes Compensation Board**  
23 [OBTAIN REIMBURSEMENT FOR SOME OF THE COSTS IMPOSED ON  
24 THE STATE CRIMINAL JUSTICE SYSTEM RELATED TO  
25 INCARCERATION OR PROBATION OF THOSE INDIVIDUALS];

26 (B) **make grants for the operation of sexual assault**  
27 **response teams and domestic violence intervention projects; and**

28 (C) **obtain reimbursement for some of the costs of**  
29 **incarceration or probation of the individuals** [PROVIDE FUNDS FOR  
30 SERVICES FOR AND PAYMENTS TO CRIME VICTIMS AND FOR  
31 GRANTS FOR THE OPERATION OF DOMESTIC VIOLENCE AND

1 SEXUAL ASSAULT PROGRAMS];

2 (6) disclose the total amount that would have been paid during the  
3 previous fiscal year to individuals who were ineligible to receive dividends under  
4 AS 43.23.005(d) if they had been eligible;

5 (7) disclose the total amount appropriated for the current fiscal year  
6 under **AS 43.23.031 and** (b) of this section for each of the funds and agencies listed in  
7 **AS 43.23.031 and** (b) of this section.

8 (b) To the extent that amounts appropriated for a fiscal year do not exceed the  
9 total amount that would have been paid during the previous fiscal year to individuals  
10 who were ineligible to receive dividends under AS 43.23.005(d) or under  
11 AS 43.23.021(b) if they had been eligible, the notice requirements of (a)(3) of this  
12 section do not apply to appropriations from the dividend fund to **the criminal fund**  
13 **(AS 43.23.048) or, after the appropriation to the criminal fund, to**

14 (1) the crime victim compensation fund established under  
15 AS 18.67.162 for payments to crime victims **and for the operating costs of the**  
16 **Violent Crimes Compensation Board;**

17 (2) the Council on Domestic Violence and Sexual Assault established  
18 under AS 18.66.010 for grants for the operation of [DOMESTIC VIOLENCE AND]  
19 sexual assault **response teams and domestic violence intervention projects**  
20 [PROGRAMS];

21 (3) the Department of Corrections for incarceration and probation  
22 programs;

23 (4) the office of victims' rights;

24 (5) nonprofit victims' rights organizations for grants for services to  
25 crime victims; or

26 (6) the Department of Revenue for grants to minor children of  
27 incarcerated individuals under a grant program established by regulations of the  
28 Department of Revenue under AS 44.62 (Administrative Procedure Act).

29 \* **Sec. 2.** AS 43.23 is amended by adding a new section to read:

30 **Sec. 43.23.031. Appropriations from the criminal fund.** (a) The legislature  
31 may appropriate amounts from the criminal fund (AS 43.23.048) to the following

1 recipients in the priority order and in the amounts listed:

2 (1) up to 20 percent of the amount available for appropriation from the  
3 fund to the crime victim compensation fund established under AS 18.67.162 for  
4 payments to crime victims and for operating costs of the Violent Crimes  
5 Compensation Board;

6 (2) up to 15 percent of the amount available for appropriation from the  
7 fund to the Council on Domestic Violence and Sexual Assault established under  
8 AS 18.66.010 for grants for the operation of sexual assault response teams and  
9 domestic violence intervention projects that input data into the Alaska Public Safety  
10 Information Network;

11 (3) the remaining amount available for appropriation from the fund to  
12 the Department of Corrections for costs related to incarceration or probation.

13 (b) By October 1 of each year, the Violent Crimes Compensation Board shall  
14 send to the office of management and budget the total amount of the compensable  
15 claims from the previous fiscal year, the amount necessary to pay those compensable  
16 claims, and the amount needed for the operating costs of the board.

17 (c) The office of management and budget shall use the amounts provided in  
18 AS 43.23.028(a)(6) in combination with the amount provided under (b) of this section  
19 to determine the amount each state agency should receive from the criminal fund  
20 (AS 43.23.048) in accordance with the priority order and amounts listed in (a) of this  
21 section.

22 (d) The office of management and budget shall submit to the legislature a  
23 report listing the amounts determined under (c) of this section. The report shall be  
24 submitted at the same time as the governor's budget under AS 37.07.020.

25 (e) Nothing in this section creates a dedicated fund.

26 \* **Sec. 3.** AS 43.23 is amended by adding a new section to read:

27 **Sec. 43.23.048. Criminal fund.** The criminal fund is created as a separate  
28 account in the dividend fund. The legislature shall appropriate from the dividend fund  
29 each fiscal year an amount equal to the amount that would have been paid during the  
30 previous fiscal year to individuals who were ineligible to receive dividends under  
31 AS 43.23.005(d) if they had been eligible. Money in the fund may be appropriated in

1 accordance with AS 43.23.031. Nothing in this section creates a dedicated fund.

2 \* **Sec. 4.** AS 43.23.055 is amended to read:

3 **Sec. 43.23.055. Duties of the department.** The department shall

4 (1) annually pay permanent fund dividends from the dividend fund;

5 (2) subject to AS 43.23.011 and [PARAGRAPH] (8) of this section,  
6 adopt regulations under AS 44.62 (Administrative Procedure Act) that establish  
7 procedures and time limits for claiming a permanent fund dividend; the department  
8 shall determine the number of eligible applicants by October 1 of the year for which  
9 the dividend is declared and pay the dividends by December 31 of that year;

10 (3) adopt regulations under AS 44.62 (Administrative Procedure Act)  
11 that establish procedures and time limits for an individual upon emancipation or upon  
12 reaching majority to apply for permanent fund dividends not received during minority  
13 because the parent, guardian, or other authorized representative did not apply on  
14 behalf of the individual;

15 (4) assist residents of the state, particularly in rural areas, who, because  
16 of language, disability, or inaccessibility to public transportation, need assistance to  
17 establish eligibility and to apply for permanent fund dividends;

18 (5) use a list of individuals ineligible for a dividend under  
19 AS 43.23.005(d) provided annually by the Department of Corrections and the  
20 Department of Public Safety to determine the number and identity of those  
21 individuals;

22 (6) adopt regulations that are necessary to implement AS 43.23.005(d)  
23 **and 43.23.031;**

24 (7) adopt regulations that establish procedures for the parent, guardian,  
25 or other authorized representative of a disabled individual to apply for prior year  
26 permanent fund dividends not received by the disabled individual because no  
27 application was submitted on behalf of the individual;

28 (8) adopt regulations that establish procedures for an individual to  
29 apply to have a dividend disbursement under AS 37.25.050(a)(2) reissued if it is not  
30 collected within two years after the date of its issuance; however, the department may  
31 not establish a time limit within which an application to have a disbursement reissued

1 must be filed;

2 (9) provide any information, upon request, contained in permanent  
3 fund dividend records to the child support services agency created in AS 25.27.010, or  
4 the child support enforcement agency of another state, for child support purposes  
5 authorized under law; if the information is contained in an electronic data base, the  
6 department shall provide the requesting agency with either

7 (A) access to the data base; or

8 (B) a copy of the information in the data base and a statement  
9 certifying its contents;

10 (10) establish a fraud investigation unit for the purpose of assisting the

11 (A) Department of Law in the prosecution of individuals who  
12 apply for or obtain a permanent fund dividend in violation of a provision in  
13 AS 11, by detecting and investigating those crimes; and

14 (B) commissioner to detect and investigate the claiming or  
15 paying of permanent fund dividends that should not have been claimed by or  
16 paid to an individual and to impose the penalties and enforcement provisions  
17 under AS 43.23.035.

18 \* **Sec. 5.** This Act takes effect July 1, 2014.