

Fiscal Note

State of Alaska
2017 Legislative Session

Bill Version:	HCS CSSB 26 (FIN)
Fiscal Note Number:	10
(H) Publish Date:	4/12/2017

Identifier: SB26HCS(FIN)-DOC-PHC-04-10-17
 Title: APPROP LIMIT & PER
 FUND:DIVIDEND;EARNINGS
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: (H)FINANCE

Department: Department of Corrections
 Appropriation: Health and Rehabilitation Services
 Allocation: Physical Health Care
 OMB Component Number: 2952

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2018 Appropriation Requested	Included in Governor's FY2018 Request	Out-Year Cost Estimates					
			FY 2018	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1171 PFD Crim (Other)		(9,103.6)	(6,289.6)	(6,289.6)	(5,647.8)	(5,351.6)	(5,030.7)
1197 AK Cap Fnd (Other)		9,103.6	6,289.6	6,289.6	5,647.8	5,351.6	5,030.7
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2017) cost: 0.0 (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) cost: 0.0 (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

SB 26, updated to reflect the changes in Version U.

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 Agency: Department of Corrections

Phone: (907)465-3460
 Date: 04/10/2017 10:58 AM
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**REPORTED OUT OF
HFC 04/11/2017**

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION

Analysis

Passage of this legislation would amend AS 37.13 and change the way permanent fund dividends are calculated.

The reduction in the CY2016 dividend amount from an estimated \$2,072.00 to \$1,022.00 significantly reduced the amount of PFD Criminal Funds available to the Department of Corrections Physical Health Care component for FY2018.

As a result, a fund source change of \$9,103,600.00 from the PFD Criminal Fund to the Alaska Capital Income Fund is requested in the FY2018 Governor's budget in order to maintain the necessary level of funding for inmate health care.

The Department of Corrections Physical Health Care component receives a portion of the \$12,613,524.00 PFD Criminal Funds available which is based on a fluctuating annual PFD amount and the number of persons deemed ineligible during the appropriate year. For FY2018 the \$12,613,524.00 available is based on the CY2016 annual PFD amount of \$1,022.00 and an estimated 12,342 individuals deemed ineligible under AS 43.23.005(d). The portion of PFD Criminal Funds available to Corrections for FY2018 is \$11,191,000.00 after the \$1,422,500.00 proposed deposit into the Crime Victim Compensation Fund.

Using the Office of Management and Budget projection model with the same number of individuals identified as ineligible and the base PFD Criminal Fund appropriated, this legislation would adjust the amount of future PFD Criminal Funds to the Department of Corrections for inmate health care requiring fund source changes as follows:

In FY2019 and FY2020, it is projected the dividend would be \$1,250.00 for CY2017 and CY2018 and would increase the amount of PFD Criminal Funds available by an additional \$2,814,000.00 requiring the continuation of \$6,289,600.00 from another fund source, proposed from the Alaska Capital Income Fund.

In FY2021, it is projected the dividend would be \$1,302.00 for CY2019 and would increase the amount of PFD Criminal Funds available by \$641,800.00 requiring the continuation of \$5,647,800.00 from another fund source, proposed from the Alaska Capital Income Fund.

In FY2022, it is projected the dividend would be \$1,326.00 for CY2020 and would increase the amount of PFD Criminal Funds available by an additional \$296,200.00 requiring the continuation of \$5,351,600.00 from another fund source, proposed from the Alaska Capital Income Fund.

In FY2023, it is projected the dividend would be \$1,352.00 for CY2021 and would increase the amount of PFD Criminal Funds available by an additional \$320,900.00 requiring the continuation of \$5,030,700.00 from another fund source, proposed from the Alaska Capital Income Fund.