

# Fiscal Note

State of Alaska  
2017 Legislative Session

Bill Version:	CSSB 78(EDC)
Fiscal Note Number:	3
(S) Publish Date:	3/31/2017

Identifier: SB78-DOR-PFD-03-17-17  
 Title: PERM FUND DIVIDEND  
 CONTRIBUTIONS/LOTTERY  
 Sponsor: BISHOP  
 Requester: Senate Education

Department: Department of Revenue  
 Appropriation: Taxation and Treasury  
 Allocation: Permanent Fund Dividend Division  
 OMB Component Number: 981

**Expenditures/Revenues**

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

	FY2018	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2018 Request	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<b>OPERATING EXPENDITURES</b>	<b>FY 2018</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
Personal Services							
Travel							
Services	8.0						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>8.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

1005 GF/Prgm (DGF)	8.0						
<b>Total</b>	<b>8.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time							
Part-time							
Temporary							

**Change in Revenues**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**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 If yes, by what date are the regulations to be adopted, amended or repealed?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:**

Not applicable; initial version.

Prepared By:	Sara Race, Director	Phone:	(907)465-4785
Division:	Permanent Fund Dividend	Date:	03/17/2017 01:00 PM
Approved By:	Jerry Burnett, Deputy Commissioner	Date:	03/17/17
Agency:	Department of Revenue		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2017 LEGISLATIVE SESSION**Analysis**

This legislation makes modifications to the online dividend application and the disbursement of dividend funds upon payment.

Similar to the UA College Savings plan or charitable contributions, a voluntary option will be made available on adult electronic dividend applications, so an individual will have the option to contribute in \$100 increments up to the total amount of the dividend that the applicant is entitled to receive. Although the option may be selected by anyone filing electronically, funds will only be transferred for individuals that are determined eligible to receive the dividend and paid. At the time of payment, all other involuntary and voluntary deductions will be taken into consideration and paid based on priority order. Lottery funds will be reported and transferred on a monthly basis as part of the standard dividend payment disbursement process.

Each \$100 contribution paid will be submitted as an individual lottery entry. The name, contact information, and total number of entries for all applicants will be made available for the purpose of drawing prize winners. Four prize winners will be drawn at the beginning of the calendar year for the preceding dividend year.

At this time it is unknown how the division will address individuals that are paid their dividend after the drawing has occurred as a result of an overturned denial.

This added option will require programming changes to be made to the division's database and online dividend application. It will take approximately 50 hours at \$160.00 per hour for a total of \$8,000.