

Fiscal Note

State of Alaska
2021 Legislative Session

Bill Version:	CSHB 142(JUD)
Fiscal Note Number:	1
(H) Publish Date:	4/28/2021

Identifier: HB142-DOR-PFD-4-16-21
Title: PFD ELIGIBILITY
Sponsor: MCCARTY
Requester: (H) JUDICIARY

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)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Personal Services							
Travel							
Services	7.1						
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	7.1	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

1050 PFD Fund (Other)	7.1						
Total	7.1	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 (FY2021) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2022) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - 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? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/22

Why this fiscal note differs from previous version/comments:

Initial fiscal note.

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Agency: Department of Revenue

Phone: (907)465-2324
Date: 04/16/2021 01:00 PM
Date: 04/16/21

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2021 LEGISLATIVE SESSION

Analysis

This bill proposes to expand the allowable absences exceptions to include individuals absent from Alaska for more than 180 days because of employment in the aviation industry, as long as other type absences do not exceed 45 days in addition to those allowable for employment in the aviation industry. It will also require a member of the armed forces to physically reside in Alaska under orders of the armed forces immediately before claiming an allowable absence.

The repeal of AS 43.23.005(a)(4) would eliminate the requirement for anyone to meet the 72 consecutive hours of physical presence in Alaska.

The repeal of AS 43.23.005(f) would eliminate the waiver from the commissioner regarding the requirement to be physically present in Alaska for at least 72 consecutive hours in the prior two calendar years.

The repeal of AS 43.23.008(e) would eliminate the requirement of an individual to prove they intend to return to Alaska and remain in the state.

The bill as proposed, determines Alaska residency based on the 30-day rule for those with more than 180 days of allowable absences in each of the preceding 5 consecutive qualifying years. (30-day rule reference AS 43.23.008(d)).

The fiscal impact of the proposed legislation is one-time administrative and programming work in FY2022.

Administrative work at a rate of \$25.00 per hour:

- Modify paper applications and forms to include the new absence types, totaling 10 hours
- Update website help content - 5 hours

Programming work (standard programming rate of \$120 per hour):

- Add the new absence type to the online application - 8 hours
- Add the new absence type to the DAIS PFD operating system - 10 hours
- Add issue logic in DAIS - 10 hours
- Create new Request for Information Letter - 3 hours
- Create new denial letter - 3 hours
- Modify absence reports - 2 hours

Modify Regulations - 40 hours (average rate \$60 per hour)

Total costs - one time only:

Administrative time - \$375.00

Programming - \$4,320.00

Regulation Review and Update - \$2,400.00

Total - \$7,095.00