

HB

742

MORANDUM

State of Alaska

R.D. Stevenson
Special Assistant
Department of Revenue

DATE : February 23, 1976

FROM

R.H. Pilcher
R.H. Pilcher
Manager
Juneau Field Office

SUBJECT: House Bill No. 742

Passage of HB 742 will grant exemption from sport fishing, hunting and trapping license requirements to a resident who is disabled and presents written proof that he is 70 per cent medically handicapped.

Vocational Rehabilitation statistics indicate there will be approximately 5300 severely disabled residents over the age of 16 and under the age of 65 out of a population estimate of approximately 400,000 in FY 77, a ratio of 1.325%. Application of this ratio to license sales for calendar year 1975 indicates the following:

R. Sport Fish	-	101,900 X .01325	=	1350 less 66 25¢ licenses	=	1284 X 5	=	\$6,420.00
R. Hunt	-	64,720 X .01325	=	858 less 66 25¢ licenses	=	792 X 7	=	5,544.00
R. Trap	-	14,495 X .01325	=	192 less 66 25¢ licenses	=	126 X 3	=	<u>378.00</u>

Total revenue loss

\$12,342.00

Plus Federal Aid Matching Funds which usually are at a ratio of 3 to 1. Since this is an exemption from licensing provisions and will be administered by the Department of Fish and Game, no administrative problems or added administrative costs are anticipated.

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH S - JUNEAU 99811

February 24, 1976

The Honorable Susan Sullivan
Chairman
House Health, Education and
Social Services Committee
Alaska State Legislature
State Capitol Building
Juneau, Alaska

Re: House Bill No. 742

Dear Ms. Sullivan:

House Bill No. 742, an Act relating to benefits for blind and disabled persons was introduced in the House on February 12, 1976 and was referred to the House Health, Education & Social Services and Community and Regional Affairs Committees.

Sec. 3 of the proposed legislation provides that a sport fishing, hunting or trapping license is not required of a resident who is disabled, as long as he remains a resident.

For the consideration of the House Health, Education & Social Services Committee, I am enclosing a copy of a memorandum prepared by R. H. Pilcher, Manager, Juneau Field Office, Department of Revenue concerning the estimated loss of revenue in connection with Sec. 3 of the bill.

If you or any members of the House Health, Education & Social Services Committee have any questions on the material submitted, please telephone the writer at 465-2397 and I will contact Mr. Pilcher, for further information or testimony at a hearing.

Very truly yours,

R. D. Stevenson
Special Assistant

Enclosure

cc: The Honorable Samuel Cotten
Chairman
House Community & Regional Affairs Committee

The Honorable Susan Sullivan

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February 24, 1976

The Honorable Helen Beirne
Prime Sponsor - House Bill No. 742

R. H. Pilcher
Manager, Juneau Field Office
Department of Revenue

MEMORANDUM**State of Alaska**

TO: R.D. Stevenson
 Special Assistant
 Department of Revenue

DATE : February 23, 1976

FROM: *R.H. Pilcher*
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SUBJECT: House Bill No. 742

Passage of HB 742 will grant exemption from sport fishing, hunting and trapping license requirements to a resident who is disabled and presents written proof that he is 70 per cent medically handicapped.

Vocational Rehabilitation statistics indicate there will be approximately 5300 severely disabled residents over the age of 16 and under the age of 65 out of a population estimate of approximately 400,000 in FY 77, a ratio of 1.325%. Application of this ratio to license sales for calendar year 1975 indicates the following:

R. Sport Fish	- 101,900 X .01325 = 1350 less 66 25¢ licenses = 1284 X 5 =	\$6,420.00
R. Hunt	- 64,720 X .01325 = 858 less 66 25¢ licenses = 792 X 7 =	5,544.00
R. Trap	- 14,495 X .01325 = 192 less 66 25¢ licenses = 126 X 3 =	<u>378.00</u>

Total revenue loss

\$12,342.00

Plus Federal Aid Matching Funds which usually are at a ratio of 3 to 1. Since this is an exemption from licensing provisions and will be administered by the Department of Fish and Game, no administrative problems or added administrative costs are anticipated.

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE
 Second Session - Ninth Legislature

I. REQUEST
 Bill No. HB 742
 Title: An Act relating to benefits for blind and disabled persons.
 Requested by: Health, Education & Social Services Date: 18 February 1976
 Return Date Requested: Immediate
 Agency: University of Alaska Program: Statewide Revenue

II. FISCAL DETAIL
 Budget Request Unit(s) Affected: Revenue (Funding)
 A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND		16.0	16.0	16.0	16.0	16.0
FEDERAL FUNDS						
OTHER						

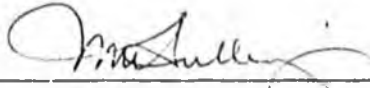
C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Estimate 40 students, that meet the condition of blind and/or disabled, each taking an average of 10 credit hours per semester. $40 \times 10 \times 2 \times \20 per credit hour = \$16,000 per year.

IV. ATTACHMENTS

V. DATE: 18 February 1976 PREPARED BY: 

M.M. Hullinger, V. P. for Finance
and Comptroller

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Helen Beirne
 Health, Education and Social Services Committee, % Representative
 Susan Sullivan

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST
 Bill No. HB 742
 Title: Benefits for blind and disabled persons, (property tax exemption)
 Requested by: _____ Date: _____
 Return Date Requested: _____
 Agency: Dept. Community & Regional Affairs Program: Local Government Assistance

II. FISCAL DETAIL
 Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES		7.4				
200 TRAVEL						
300 CONTRACTUAL		2.7				
400 COMMODITIES		.2				
500 EQUIPMENT		.5				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		309.2				
TOTAL		320.0				

B. FUNDING: (Thousands of dollars)

GENERAL FUND		320.0				
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	1 /	/	/	/	/
MAN MONTHS (P./T.)	/	6 /	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Assumptions

1. Statewide population July 1, 1976 (FY 77) will approximate 417,500.
2. Proportion of the total population 70% medically handicapped and blind persons will closely approximate the number of disabled or handicapped for 6 months or more as defined in the 1970 census. (FY 77--713)
3. The 12% annual increase in average tax per application will continue for the next few years. (FY 77--\$434)
4. Residential property owned by blind and handicapped persons will be of the same general quality as that of senior citizens. (FY 77 713 x \$434 = \$309,244)

IV. ATTACHMENTS

Table: FY 77 BRU Grant Impact HB No. 742, Sec. 1 & 2.

Analysis continued

V. DATE: 2/23/76 PREPARED BY: S. Robert Dozier

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 "Beirne"

S. Robert Dozier
 State Assessor

Sections 1 and 2 of HB 742 includes blind persons and persons with 70% medical disability as eligible for property tax exemption under the provisions of AS 29. 53.020.

The pilot program will require in-depth research to develop appropriate administrative procedures, regulations and forms necessary to include all eligible blind and disabled persons. Instruction pamphlets and other methods of notice to potential applicants is a prerequisite to orderly implementation of the new program. Experience with the senior citizen program has proven that without proper notification, substantial numbers of potential applicants will remain unaware of the benefit and will subsequently file for a waiver of the filing deadline, adding measurably to administrative time, material and total program cost.

To implement the program, a clerk-typist will be required to carry the additional secretarial support, and to perform routine audit, filing and data processing procedures which may be expected to increase by 30%. This should relieve permanent trained personnel of routine duties and allow time for development of program procedures regulations and forms.

Administrative costs are estimated as follows:

Personal Services:

Clerk-typist III (6 months)
Range 9, Step B
Benefits 23%

\$ 6,040
1,389
\$ 7,429

Contractual:

Telephone
Postage
Printing
Advertising
Data Processing
Professional Fees

\$ 50
120
1,200
350
670
300
\$ 2,690

Commodities:

Reference Material/Supplies

\$ 150

Equipment:

Secretarial Desk @ 370
Secretarial Chair @ 115
Calculator @ 440

\$ 185
88
220
\$ 463

Total FY 77 Administrative Costs

\$10,732

FY 77 BRU Grant Impact

HB 742, Sec. 1 and Sec. 2

1. Projected number of blind and disabled homeowner, heads of household, age 16 to 64 eligible for property tax exemption in FY 77.

	<u>1970 Census</u>		<u>Projected FY 77</u>
Total Population:	300,382		417,500
Population age 16 to 64	166,412	= 55.4% of 300,382	231,300
Disabled, 6 months or more age 16 to 64	2,619	= 1.57% of 166,412	3,631
Head of household age 16 to 64	75,072	= 45.11% of 166,412	1,638
Total occupied units all ages	79,059	= 100% head of household	1,638
Owner occupied units	39,747	= 50.28% of 79,059	824

2. Number of eligible applicants within districts subject to property tax.

Population, FY 76	386,600		824
Boroughs	313,379	= 81.06% of 386,600	668
Cities	20,998	= 5.43% of 386,600	<u>45</u>
Total population within Taxing Jurisdictions	334,377	Number of Applicants	713

3. Projected revenue required to reimburse municipalities for revenue lost in operation of a property tax exemption for blind and disabled persons.

	Projected Number of Applications	FY 76 Average Tax	FY 77 12% Increase	FY 77 Estimated Tax Dollars
Borough	668	\$396	\$443	\$295,924
City	45	264	296	13,320
	<u>713</u>	<u>\$383</u>	<u>\$434</u>	<u>\$309,244</u>

Department of Community and Regional Affairs
 Division of Local Government Assistance
 Office of the State Assessor
 February 23, 1976