

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 230
 Title An Act relating to the Permanent Fund Dividend Program
 Requested by Senate Finance Committee Date 5/4/83

II. FISCAL DETAIL

Agency Affected _____
 Program Category Affected _____
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

| | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 |
|--------------------------|-------|---------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES | 21.0 | 63.0 | | | | |
| 200 TRAVEL | | 15.0 | | | | |
| 300 CONTRACTUAL | 10.0 | 85.0 | | | | |
| 400 COMMODITIES | | | | | | |
| 500 EQUIPMENT | | | | | | |
| 600 LAND & STRUCTURES | | | | | | |
| 700 GRANTS, CLAIMS, ETC. | | 10000.0 | | | | |
| | 31.0 | 10163.0 | | | | |
| TOTAL | | | | | | |

FUNDING (Thousands of Dollars)

| | | | | | | |
|-----------------------------|------|---------|--|--|--|--|
| GENERAL FUND | 31.0 | | | | | |
| FEDERAL FUNDS | | | | | | |
| OTHER (Specify Fund Source) | | 10163.0 | | | | |
| | | | | | | |
| | | | | | | |

POSITIONS

| | | | | | | |
|-----------|---|---|--|--|--|--|
| FULL TIME | | | | | | |
| PART TIME | | | | | | |
| TEMPORARY | 8 | 8 | | | | |

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

FUNDING SOURCE: Permanent Fund earnings, first using \$4800.0 from FY 80 and 81 Permanent Fund Dividends; second, using lapsing funds from the \$41.0 million Permanent Fund supplemental; and, finally, undistributed Permanent Fund earnings for any remainder.

IV. DATE 5/4/83 PREPARED BY *John Sackett*
 AGENCY Senate Finance Committee
 PHONE _____
 Original: Legislative Finance.
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

049550

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. SB 230
 Title AN ACT RELATIVE TO PED PROGRAM
 Requested by SENATE FINANCE Date _____

II. FISCAL DETAIL
 Agency Affected _____
 Program Category Affected _____
 BRU, Program, or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

| | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 |
|--------------------------|-------|----------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES | 21.0 | 63.0 | | | | |
| 200 TRAVEL | | 15.0 | | | | |
| 300 CONTRACTUAL | 10.0 | 85.0 | | | | |
| 400 COMMODITIES | | | | | | |
| 500 EQUIPMENT | | | | | | |
| 600 LAND & STRUCTURES | | | | | | |
| 700 GRANTS, CLAIMS, ETC. | | 10,000.0 | | | | |
| TOTAL | 31.0 | 10,163.0 | | | | |

FUNDING (Thousands of Dollars)

| | | | | | | |
|-----------------------------|------|----------|--|--|--|--|
| GENERAL FUND | 31.0 | | | | | |
| FEDERAL FUNDS | | | | | | |
| OTHER (Specify Fund Source) | | 10,163.0 | | | | |

POSITIONS

| | | | | | | |
|-----------|---|---|--|--|--|--|
| FULL TIME | | | | | | |
| PART TIME | | | | | | |
| TEMPORARY | 8 | 8 | | | | |

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

FUNDING SOURCE: Permanent fund earnings first using 4,800.0 from FY 80 & 81 P.F. DIVIDENDS; second, using lapsing funds from the 41.0 million P.F. supplemental; and, finally, undistributed P.F. earnings for any remainder.

IV. DATE _____ PREPARED BY John Schott
 AGENCY _____
 PHONE _____
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Introduced: 4/6/83
Referred: Finance

1 IN THE SENATE

BY SACKETT

2

SENATE BILL NO. 230

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the permanent fund dividend
7 distribution program: and providing for an effective
8 date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 43.23.025 is amended to read:

11 Sec. 43.23.025. AMOUNT OF DIVIDEND. By December 1 [SEPTEMBER 1]
12 of each year the commissioner shall give public notice of the value of
13 each permanent fund dividend for that year. The commissioner shall
14 determine the value of a permanent fund dividend by

15 (1) determining the amount of income of the Alaska perma-
16 nent fund transferred to the dividend fund under AS 43.23.045(b)
17 during the current year;

18 (2) determining the number of individuals eligible to
19 receive a dividend payment for the current year; and

20 (3) dividing the amount determined in (1) of this section
21 by the amount determined in (2) of this section.

22 * Sec. 2. AS 43.23.055(2) is amended to read:

23 (2) adopt regulations under the Administrative Procedure
24 Act (AS 44.62) that establish procedures and time limits for claiming
25 a permanent fund dividend; the department shall set the time limit for
26 applications for permanent fund dividends so that the number of eli-
27 gible applicants is determined by December 1 of the year for which the
28 dividend is declared [SEPTEMBER 1] and permanent fund dividends for a
29 year are paid before April 30 of the year following [DECEMBER 31 OF]

1 that year;

2 * Sec. 3. Notwithstanding sec. 19(e), ch. 102, SLA 1982 and AS 43.23.-
3 055 and the regulations adopted under those sections by the Department of
4 Revenue, the time period for applying for a 1982 permanent fund dividend is
5 extended to October 15, 1983. A 1982 permanent fund dividend paid to an
6 individual who applies during the extended period may not be paid from
7 money appropriated or otherwise allocated for permanent fund dividends for
8 years other than 1982. The Department of Revenue may not pay 1982 divi-
9 dends to applicants who file during the extended period until after
10 September 1, 1983. The Department of Revenue may adopt regulations to
11 implement this section.

12 * Sec. 4. Sections 1 and 2 of this Act take effect January 1, 1984.

13 * Sec. 5. Section 3 of this Act takes effect immediately in accordance
14 with AS 01.10.070(c).

SENATE AMENDMENT #1

By Petty, John / Halford

To: _____ SENATE BILL No. 230

To: _____ HOUSE BILL No. _____

PAGE: 2 LINE: 4

*between the words "for" and "applying" add
"an Alaska resident"*

Page 2 Line 5

*after "1983" delete period insert
"for applicants who met the six month
residency requirement ~~and~~ October 15, 1982."
on*

STATE OF ALASKA
FISCAL NOTE

Revision Date _____, 1983

I. REQUEST

Bill/Resolution No.: SB 230
 Title: An Act relating to PFD program.
 Sponsor: Sackett
 Requestor: Senate Finance

II. FISCAL DETAIL

Agency Affected: Revenue
 Program Category Affected: Rev. Coll. & Mgmt.
 BRU, Program of Subprogram(s) Affected: Admin. Srv., Public Srv., Enforce. Div.

EXPENDITURES/REVENUES: (Thousands of Dollars)

| | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 |
|-------------------------|-------|----------|-------|-------|-------|-------|
| OPERATING | | | | | | |
| 100 PERSONAL SERVICES | 21.0 | 63.0 | | | | |
| 200 TRAVEL | | 15.0 | | | | |
| 300 CONTRACTUAL | 10.0 | 85.0 | | | | |
| 400 COMMODITIES | | | | | | |
| 500 EQUIPMENT | | | | | | |
| 600 LAND & STRUCTURES | | | | | | |
| 700 GRANTS, CLAIMS, ETC | | 10,000.0 | | | | |
| TOTAL OPERATING | 31.0 | 10,163.0 | | | | |
| CAPITAL | | | | | | |
| REVENUE | | | | | | |

FUNDING: (Thousands of Dollars)

| | | | | | | |
|------------------------|------|----------|--|--|--|--|
| GENERAL FUND | 31.0 | 10,163.0 | | | | |
| FEDERAL FUNDS | | | | | | |
| OTHER (Specify Source) | | | | | | |

POSITIONS:

| | | | | | | |
|-----------|---|---|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | 8 | 8 | | | | |

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Ervin B. Jones Phone: 465-2313
 Division: Administrative Services Division Date: 05/04/83
 Approved by Commissioner: Robert O'Hara Date: 05/04/83
 Department: Revenue

Distribution:

Original to Legislative Finance
 Copy to Office of Management and Budget (for Legislature introduced bills)
 Copy to Department (for Governor introduced bills)
 Copy to Sponsor
 Copy to Requestor (if different from Sponsor)

3/8/83

IV. Analysis for SB 230

Section 1 of the bill changes the date of declaration of dividend value from September 1 to December 1 of the dividend year. This has the positive effect of potentially expanding the processing period, allowing the department more time to evaluate applications prior to payment.

Section 2 of the bill changes the payment period and allows one additional calendar month in which to make payments. This will allow a much more orderly processing of payments.

Section 3 of the bill extends the deadline for filing the 1982 dividend application from October 15, 1982 to October 15, 1983. This extension will allow payment to those persons who were qualified for the 1982 program but for one reason or another either they did not file or their applications were lost in the mail or in processing. The department currently has, in-house, approximately 1,800 late-filed applications and 1,200 written contacts from persons who also failed to file. We estimate the total eligible non-filers to be as high as 10,000, assuming 2 percent of the eligible Alaskans failed to file. This extension would require the department to provide the following services and to incur the related expenditures.

Assumption: The goal of this section is to ensure that every eligible Alaskan has maximum opportunity to obtain the \$1,000 1982 dividend. The department assumes a responsibility for an affirmative approach at finding those Alaskans and availing them of the extended opportunity.

Personal Services:

FY 83:

Administrative Services Division

| | |
|--|---------|
| 2 Tax Scanners, GS, non-permanent, 1 1/2 mos = | \$4,816 |
| (for mail opening, document processing, data capture, document control and accounting control) | |

Public Services Division

| | |
|---|----------|
| 4 Tax Examiners, R10, non-permanent, 1 1/2 mos = | \$10,836 |
| (counter assistance, telephone assistance, rural assistance campaign) | |

Enforcement Division

| | |
|---|---------|
| 2 Tax Collection Specialists, R10, non-perm. 1 1/2 mos = | \$5,418 |
| (review and investigation of applications to determine eligibles) | |

| | |
|-------------------------------|-----------------|
| TOTAL FY 83 PERSONAL SERVICES | <u>\$21,070</u> |
|-------------------------------|-----------------|

Personal Services.

FY 84:

Administrative Services Division

2 Tax Scanners, R8, non-permanent, 4 1/2 mos = \$14,392
(for mail opening, document processing, data capture,
document control and accounting control)

Public Services Division

4 Tax Examiners, R10, non-permanent, 4 1/2 mos = \$32,384
(counter assistance, telephone assistance, rural
assistance campaign)

Enforcement Division

2 Tax Collection Specialists, R10, non-perm. 4 1/2 mos = \$16,192
(review and investigation of applications to determine
eligibles)

TOTAL FY 84 PERSONAL SERVICES \$62,968

Travel:

FY 83 -0-

FY 84

Public Services Division (rural assistance) \$15,000

Contractual

FY 83

Public Services Division (newspaper ads,
initial announcement) \$10,000

FY 84

Administrative Services Division \$15,000
(DP costs in identifying high potential areas
to help direct the assistance program)

Public Services Division

Rural assistance contracts with local
organizations. \$20,000

Statewide advertising campaign (newspapers,
TV, radio) \$50,000

TOTAL FY 84 CONTRACTUAL SERVICES \$85,000

Introduced: 4/6/83
Referred: Finance

1 IN THE SENATE

BY SACKETT

2

SENATE BILL NO. 230

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the permanent fund dividend
7 distribution program: and providing for an effective
8 date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 43.23.025 is amended to read:

11 Sec. 43.23.025. AMOUNT OF DIVIDEND. By December 1 [SEPTEMBER 1]
12 of each year the commissioner shall give public notice of the value of
13 each permanent fund dividend for that year. The commissioner shall
14 determine the value of a permanent fund dividend by

15 (1) determining the amount of income of the Alaska perma-
16 nent fund transferred to the dividend fund under AS 43.23.045(b)
17 during the current year;

18 (2) determining the number of individuals eligible to
19 receive a dividend payment for the current year; and

20 (3) dividing the amount determined in (1) of this section
21 by the amount determined in (2) of this section.

22 * Sec. 2. AS 43.23.055(2) is amended to read:

23 (2) adopt regulations under the Administrative Procedure
24 Act (AS 44.62) that establish procedures and time limits for claiming
25 a permanent fund dividend; the department shall set the time limit for
26 applications for permanent fund dividends so that the number of eli-
27 gible applicants is determined by December 1 of the year for which the
28 dividend is declared [SEPTEMBER 1] and permanent fund dividends for a
29 year are paid before April 30 of the year following [DECEMBER 31 OF]

1 that year;

2 * Sec. 3. Notwithstanding sec. 19(e), ch. 102, SLA 1982 and AS 43.23.-
3 055 and the regulations adopted under those sections by the Department of
4 Revenue, the time period for applying for a 1982 permanent fund dividend is
5 extended to October 15, 1983. A 1982 permanent fund dividend paid to an
6 individual who applies during the extended period may not be paid from
7 money appropriated or otherwise allocated for permanent fund dividends for
8 years other than 1982. The Department of Revenue may not pay 1982 divi-
9 dends to applicants who file during the extended period until after
10 September 1, 1983. The Department of Revenue may adopt regulations to
11 implement this section.

12 * Sec. 4. Sections 1 and 2 of this Act take effect January 1, 1984.

13 * Sec. 5. Section 3 of this Act takes effect immediately in accordance
14 with AS 01.10.070(c).

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 230

Title An Act relating to the Permanent Fund Dividend Program

Requested by Senate Finance Committee Date 5/4/83

II. FISCAL DETAIL

Agency Affected _____

Program Category Affected _____

BRU, Program, or Subprogram(s) Affected _____

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

| | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 |
|--------------------------|-------|---------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES | 21.0 | 63.0 | | | | |
| 200 TRAVEL | | 15.0 | | | | |
| 300 CONTRACTUAL | 10.0 | 85.0 | | | | |
| 400 COMMODITIES | | | | | | |
| 500 EQUIPMENT | | | | | | |
| 600 LAND & STRUCTURES | | | | | | |
| 700 GRANTS, CLAIMS, ETC. | | 10000.0 | | | | |
| | 31.0 | 10163.0 | | | | |
| TOTAL | | | | | | |

FUNDING (Thousands of Dollars)

| | | | | | | |
|-----------------------------|------|---------|--|--|--|--|
| GENERAL FUND | 31.0 | | | | | |
| FEDERAL FUNDS | | | | | | |
| OTHER (Specify Fund Source) | | 10163.0 | | | | |
| | | | | | | |
| | | | | | | |

POSITIONS

| | | | | | | |
|-----------|---|--|--|--|--|--|
| FULL TIME | | | | | | |
| PART TIME | | | | | | |
| TEMPORARY | 8 | | | | | |

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

FUNDING SOURCE: Permanent Fund earnings, first using \$4800.0 from FY 80 and 81 Permanent Fund Dividends; second, using lapsing funds from the \$41.0 million Permanent Fund supplemental; and, finally, undistributed Permanent Fund earnings for any remainder.

IV. DATE 5/4/83

PREPARED BY

AGENCY

PHONE

John Sackett
John Sackett, Co-chairman
Senate Finance Committee

Original: Legislative Finance.

cc: Budget and Management

Prime Sponsor (First Legislator Named)