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STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
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POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

House Judiciary:

1/20/88

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

March 2, 1987

The Hon. Ramona Barnes
Alaska State House
P.O. Box V
Juneau, AK 99811

Re: Proposed bill relating to incarcerated convicted felons
Our File No. 663-87-6381

Dear Representative Barnes:

In response to your memorandum of February 21, 1987, we have reviewed the draft bill proposing to make incarcerated felons ineligible for permanent fund dividends. Except for minor technical differences, this bill is the same as CSHB 575(Fin)(title am), passed by the House of Representatives in 1984. As you know, this office reviewed the 1984 bill and concluded that, although constitutional issues may exist, in our opinion the denial of permanent fund dividends to convicted, incarcerated felons is constitutional. 1984 Inf. Op. Att'y Gen. 366-525-84 (April 23). At this time, we see no reason to alter our earlier opinion, and therefore we believe your proposal would withstand a constitutional challenge.

On February 15, 1984, this office issued an informal opinion that the original version of HB 575 introduced in the House had some serious constitutional problems. 1984 Inf. Op. Att'y Gen. 366-424-84 (February 15). Most of the potential problems identified in that memorandum were corrected in subsequent versions of the bill, however, and are not present either in the bill which passed the House that year or in the bill which you submitted to us for review.

We do not, at this time, have any opinion on the merits of this proposed legislation. However, we would like to suggest a few minor changes. In sec. 1, the bill refers to individuals who are incarcerated "during all or part of the eligibility period for that year's dividend." Under AS 43.23.005(a)(2), the eligibility period for any individual is not a definite period of time, but rather is a floating six month period prior to the date the individual files an application. Since we can assume that these people will not actually submit an application, it may be difficult to decide what six month period should be utilized. We recommend that this language be changed to specify a definite

STEVE COWPER, GOVERNOR

REPLY TO:

1031 W 4th AVENUE
SUITE 200
ANCHORAGE, ALASKA 99501
PHONE: (907) 276-3550

1st NATIONAL CENTER
100 CUSHMAN ST.
SUITE 400
FAIRBANKS, ALASKA 99701
PHONE: (907) 452-1568

P.O. BOX K-STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

The Hon. Ramona Barnes
Alaska State House
AG File No. 663-87-0381

March 2, 1987
Page 2

period of time, such as "during all or part of the fiscal year." This change also makes some intuitive sense, because the dividends are based upon earnings during the fiscal year, and because this legislation is designed to reimburse the Department of Corrections for expenses incurred during the fiscal year in which the person is incarcerated.

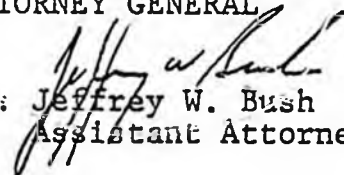
With respect to sec. 3 of the bill, proposed paragraph (5) is probably unnecessary, since this provision is already covered in sec. 2 of the bill. Also, in paragraph (6), we recommend that the words "in cooperation with the Department of Corrections" be inserted after "regulations."

Finally, with respect to the effective date of the Act (sec. 6), it might be simpler to have the Act take effect at the beginning of FY 88; this would also eliminate the need for sec. 4 of the bill.

Please contact me if you wish to discuss this further.

Sincerely,

GRACE BERG SCHAIBLE
ATTORNEY GENERAL

By: 
Assistant Attorney General

JWB:lb

cc: Arthur H. Peterson
Mike Stark

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 20, 1988

SUBJECT: Permanent fund dividends of incarcerated individuals (CSHB 245 (HESS))

TO: Representative Ramona Barnes

FROM: Tamara Brandt Cook ^{TBC}
Director
Division of Legal Services

Here is the sectional analysis that you requested of a draft bill dealing with permanent fund dividends and incarcerated individuals.

Section 1. A new provision is added making a person convicted of a felony ineligible for a permanent fund dividend if, during all or part of the fiscal year ending before checks are mailed, the individual is incarcerated. This provision applies whether or not the individual has applied for the dividend.

Section 2. This is a new provision. For the purposes of calculating the amount of the dividend for a year an individual who is ineligible due to incarceration but who is otherwise eligible under residency requirements will be counted as an eligible individual whether or not the individual applies for a dividend.

Section 3. Two new requirements are added to the list of duties of the Department of Revenue: (1) to annually determine the number and identity of individuals ineligible for permanent fund dividends because of incarceration and the number of ineligible individuals counted as eligible for purposes of determining the amount of a dividend for the year; (2) to adopt regulations necessary to implement the new ineligibility provision that applies to certain incarcerated individuals.

Section 4. The bill applies only to dividends for years after 1987. Since the bill has been held over from the

Representative Ramona Barnes

Page 2

January 20, 1988

first session, thought should be given to changing this date to 1988.

Section 5. The legislature intends to appropriate from the dividend fund to the crime victim compensation fund an amount equal to money that would otherwise be paid as dividends to incarcerated individuals.

Section 6. The bill has an immediate effective date.

TFC:bb
WKB1/078

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 27, 1987

SUBJECT: Permanent fund dividends of incarcerated individuals (Work Order No. 15-0701A)

TO: Representative Ramona Barnes

FROM: Tamara Brandt Cook *TBC*
Director
Division of Legal Services

Here is the sectional analysis that you requested of a draft bill dealing with permanent fund dividends and incarcerated individuals.

Section 1. A new provision is added making a person convicted of a felony ineligible for a permanent fund dividend if, during all or part of the fiscal year ending before checks are mailed, the individual is incarcerated. This provision applies whether or not the individual has applied for the dividend.

Section 2. This is a new provision. For the purposes of calculating the amount of the dividend for a year an individual who is ineligible due to incarceration but who is otherwise eligible under residency requirements will be counted as an eligible individual whether or not the individual applies for a dividend.

Section 3. Two new requirements are added to the list of duties of the Department of Revenue: (1) to annually determine the number and identity of individuals ineligible for permanent fund dividends because of incarceration and the number of ineligible individuals counted as eligible for purposes of determining the amount of a dividend for the year; (2) to adopt regulations necessary to implement the new ineligibility provision that applies to certain incarcerated individuals.

Section 4. The bill applies only to dividends for years after 1987.

Representative Barnes
Page 2
March 27, 1987

Section 5. The legislature intends to appropriate from the dividend fund to the Department of Corrections for upkeep of inmates an amount equal to money that would otherwise be paid as dividends to incarcerated individuals.

Section 6. The bill has an immediate effective date.

TBC:csh
c7/109

April 24, 1987

Representative Niilo Koponen
P.O. Box V
Juneau, AK 99811

Dear Representative Koponen:

HB 245
I'm going to have a tough time getting anyone to listen, but I have to try. ~~HB13~~ and SB177, the proposal to use prisoners' dividend funds for something other than giving it to the prisoner, is wrong. Maybe wrong is the wrong word; how about unjust since everyone talks about being just.

First, the "sentence" imposed by the court did not say five years and \$5,000. plus your permanent fund dividend for the next five years. Secondly, the sentence imposed did not say 5 years and \$5,000. plus whatever expenses the State incurs in keeping you in prison. Third, the sentence imposed varied from individual to individual, depending on the crime committed. Let's say Sam is serving ten years for breaking into a ladie's home and raping her; Joe is serving a five-year term for driving drunk, causing an accident in which someone was seriously hurt; Jim is serving a two-year term for shop-lifting an \$8,000. Rolex watch. The sentence imposed was different but is now amended by HB13 and SB177 to say they each give up their permanent fund dividend. Fourth, the legislature keeps getting into the judicial process further and further. Whatever happended to "separation of powers" theory? We have presumptive sentences, which I doubt you could get one judge in the United States to agree with, dictated by the legislative action. Now the legislative branch wants to dictate monetary penalties (that is exactly what HB13 and SB177 will do.

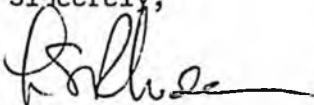
I would also wager that not more than 10 House or Senate members voting on this bill have ever visited one of our correctional facilities for more than "a guided tour". For example, what percentage of the inmates have families that bring them needed items, i.e. underwear, shirts, pants, shoes, socks, hairbrushes, deodorant, and the other things we use in our daily lives? What percentage of the inmates have more than a few dollars in their accounts to buy these things, plus cigarettes, treats, sodas, etc., on the approximately 50 cents per hour they make while in prison? What percentage of the prisoners are still wearing the same clothes they came in with? The answer to those questions should be disturbing if you knew the truth. Contrary to what you may have been told, the facility I am familiar with doesn't provide any of those things - the inmates must purchase them from the Company Store. Inmates are not allowed to borrow each other's clothes, even for a short period of time, while they wash and dry the ones they had

on. In many, many, many cases the dividend check is the year-round source of income to provide these necessities. Finally, the hope of many of these inmates is to have enough saved when they do get released to get a place to live and a means of transportation. The approximately 50 cents per hour they earn will never amount to (1) a months rent in advance (2) a deposit on the electric/telephone bill (3) the second-hand "junker" with minimum insurance to get back and forth to work. The dividend at least gives them hope.

Finally, just how much "justice" do we want? Too many of us who have never committed a crime seem to think the criminal deserves everything bad we can dish out. Prison, the loss of freedom, is only one of the penalties a criminal must pay. A felon loses his/her citizenship rights - many job opportunities are closed to them for a lifetime because of bonding requirements - many friends and relatives no longer will socialize with them - families are separated and sometimes permanently divided (especially where children are concerned) - and certainly the criminal is financially reduced to ruin with legal costs and fines assessed before prison begins. The power to dig in one more time - to deliver one more punishment - is just too great for some people to leave alone! Besides, who cares what happens to the prisoner? Even if they complain, who cares? They deserve what they get - right?

Well, I say it's WRONG and I hope someone listens!

Sincerely,



L.S. (Dusty) Rhodes

HOUSE COMMITTEE REPORT

(7)

Finance

Date referred: 5/9/87

FURTHER REFERRALS:

DATE: 1-26-88

HB 245

The Judiciary Committee has considered

"An Act relating to permanent fund dividends for individuals incarcerated after conviction for a felony; and providing for an effective date."

RECOMMENDS:

- replace with CS HB 245 (Jud) the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

[Signature]
Vanora Barnes
Urbis L. Taylor
Mike Favone

SIGNING OTHER RECOMMENDATIONS:

[Signature]

"An Act

[Signature]

 Chairman's signature

Original sponsors: Barnes, Adams,
Collins, et al.

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 245 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to permanent fund dividends for
7 individuals incarcerated after conviction for a
8 felony; and providing for an effective date."

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

10 * Section 1. AS 43.23.005 is amended by adding a new subsection to
11 read:

12 (d) Notwithstanding the provisions of (a) - (c) of this section,
13 an individual who has been convicted of a felony is not eligible for a
14 permanent fund dividend for a year when, during all or part of the
15 fiscal year ending June 30 of the current year, as a result of the
16 conviction the individual is incarcerated. This subsection applies
17 whether or not the individual has applied for the dividend.

18 * Sec. 2. AS 43.23.025 is amended by adding a new subsection to read:

19 (b) For the purpose of calculating the amount of a permanent
20 fund dividend under (a) of this section, an individual who is ineli-
21 gible to receive a dividend under AS 43.23.005(d) is counted as an
22 eligible individual whether or not the individual has applied for the
23 dividend.

24 * Sec. 3. AS 43.23.055 is amended to read:

25 Sec. 43.23.055. DUTIES OF THE DEPARTMENT. The department shall

26 (1) annually pay permanent fund dividends from the dividend
27 fund;

28 (2) adopt regulations under the Administrative Procedure
29 Act (AS 44.62) that establish procedures and time limits for claiming

1 a permanent fund dividend; the department shall set the time limit for
2 applications for permanent fund dividends so that the number of eli-
3 gible applicants is determined by October 1 of the year for which the
4 dividend is declared and permanent fund dividends for a year are paid
5 before April 30 of the year following that year;

6 (3) adopt regulations under the Administrative Procedure
7 Act (AS 44.62) that establish procedures and time limits for an indi-
8 vidual upon emancipation or upon reaching majority to apply for perma-
9 nent fund dividends not received during minority because the parent,
10 guardian, or other authorized representative did not apply on behalf
11 of the individual; [AND]

12 (4) assist residents of the state, particularly in rural
13 areas, who because of language, disability, or inaccessibility to
14 public transportation need assistance to establish eligibility and to
15 apply for permanent fund dividends;

16 (5) annually determine, in cooperation with the Department
17 of Corrections, the number and identity of individuals ineligible for
18 a permanent fund dividend under AS 43.23.005(d); and

19 (6) adopt regulations that are necessary to implement
20 AS 43.23.005(d).

21 * Sec. 4. This Act applies only to eligibility for permanent fund
22 dividends for years after 1988.

23 * Sec. 5. It is the intent of the legislature that an amount approxi-
24 mately equal to the money that would otherwise be paid as permanent fund
25 dividends to individuals determined to be ineligible under AS 43.23.005(d),
26 as enacted by sec. 1 of this Act, be appropriated annually from the divi-
27 dend fund to the crime victim compensation fund (AS 18.67.162) to carry out
28 the purposes of AS 18.67.

29 * Sec. 6. This Act takes effect immediately under AS 01.10.070(c).

Failed, H. Floor
2-15-88

A M E N D M E N T

Offered in the HOUSE

By Sund

TO: CSHB 245 (Judiciary)

Page 2, line 29:

Delete "immediately under AS 01.10.070(c)"

~~Insert~~ Insert "on the effective date of an appropriation enacted by the Fifteenth Alaska State Legislature of at least \$2,000,000 from the dividend fund (AS 43.23.045) to the victim compensation fund (AS 18.67.162)"

A M E N D M E N T

Offered in the HOUSE

BY SUND

TO: CSHB 245 (Judiciary)

Page 2, line 29:

Delete "immediately under AS 01.10.070(c)"

Insert "on the effective date of an appropriation enacted by the
Fifteenth Alaska State Legislature of at least \$2,000,000 ^{From the Permanent Fund Dividend Account} to the victim
compensation fund (AS 18.67.162)"

A M E N D M E N T # 1

Offered in the HOUSE

By Sund

TO: CSHB 245 (Judiciary)

Page 2, line 29:

Delete "immediately under AS 01.10.070(c)"

Insert "on the effective date of an appropriation enacted by the
Fifteenth Alaska State Legislature of at least ~~\$2,000,000~~^{1,400,000} from the dividend
fund (AS 43.23.045) to the victim compensation fund (AS 18.67.162)"

14
5
C. D. Hoffmann

14-26
failed

35-5
failed

JOHN SUND, REPRESENTATIVE

P.O. Box 6440
Ketchikan, Alaska 99901
(907) 225-6390

Amend 245.

Effect

- ① - Line over own pockets of 3.50 - 4.00
- ② - ~~About~~ PFD to GF - to Victims.
- ③ - partial fund Victims fund
Remainder to G-F

④ Effect of amendments is to implement the intent of the bill -
At such time as we appropriate from PFD to ~~the~~ victims this bill
goes into effect!

Impact of 245

- ① Restitution to specific victims - ability to pay eliminated
- ② Child Support Enforcement
- ③ Child Support Voluntary
- ④ Major precedent setting move.

Precedent:

- ① ~~the~~ Identity of Groups to impact PFD.
 - a) welfare recipients - hold harmless
 - b) Families - daily PFD - (line over own pockets)
 - c) Elderly - give up PFD to get longevity

FISCAL NOTE

REQUEST

Revision Date: _____
Title: An act relating to permanent
fund dividends for incarcerated felons
Sponsor: HESS
Requestor: House Judiciary

Agency Affected: Revenue
BRU: Permanent Fund Dividend
Components: Permanent Fund Dividend
Operations

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	-	2.2	1.1	1.1	1.1	1.1
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	1.1	.5	.5	.5	.5
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	3.3	1.6	1.6	1.6	1.6
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER (PFD)	-	3.3	1.6	1.6	1.6	1.6
TOTAL	-	3.3	1.6	1.6	1.6	1.6

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	1	1	1	1	1
TEMPORARY	-	-	-	-	-	-

ANALYSIS: See attached

Prepared By: Ervin Jones
Division: Permanent Fund Dividend Division

Phone: 465-2323
Date: January 20, 1988

Approved by Commissioner: [Signature]
Agency: Revenue

Date: 1/20/88

Distribution (by preparer):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Department of Revenue
Permanent Fund Dividend Division
Fiscal Note Analysis
CSHB 245 (HESS)
01/20/88

Assumptions:

1. The bill will be effective for the 1988 dividend.
2. Per the Department of Corrections, there are approximately 3,200 felons who would be incarcerated during part or all of a given fiscal year.
3. The Department of Corrections will provide the Department of Revenue with a list, via magnetic tape, which includes:
 - a. All persons, including full name, birthdate, and social security number, who were incarcerated during all or part of the previous fiscal year for a felony conviction. This list will be provided by August 1 of each year.
 - b. On a paper copy, an annotation of all persons under the Commissioner of Corrections determines are "otherwise eligible under AS 43.23.005(a)(1) and (2)," and a certification by the Commissioner or delegate that he believes those persons to be residents.

Program Summary:

The Department of Revenue will use the list provided in assumption 3(a) to match against the PFD file. Any person who files an application and who appears on that list will be denied their dividend. A denial notice will be sent to the applicant, with notice of right to appeal. If appeals are forthcoming, the Permanent Fund Dividend Division will hold informal conferences, and where requested by the applicant, the Commissioner will hold formal hearings and represent the Department in court. This is expected to generate approximately 2,000 additional denials in the first year, with a decreasing number in subsequent years, as felons realize that they are ineligible for the dividend.

The Department of Revenue will include in the dividend calculation the total number of incarcerated felons as provided by Corrections.

1. Positions:

1 PPT Document Processor I, R7, @ \$2158.82/mo. including salary and benefits for 1 month	=	\$2.2
---	---	-------

This position will assist in the determination of filings by felons and in the processing and mailing of denial notices, appeals, and correspondence. Reduced by half in the second and subsequent years.

2. Other Expenditures:

a. Travel: None.

b. Contractual:

Printing costs and postage for 2,000 additional denial notices, appeal forms and envelopes. Reduced by half in second and subsequent years.

= 1.1

c. Supplies: None.

d. Equipment: Use existing.

-0-

TOTAL COST

\$3.3

Adopted

Suggested Amendments:

A. Sec. 2, line 21:

". . . to receive a dividend under AS 43.23.005(d), [BUT WHO IS OTHERWISE ELIGIBLE UNDER AS 43.23.005(a)(1) AND (2),]"

B. Sec. 3, line 19:

". . . a permanent fund dividend under As 43.23.005(d); [, AND THE NUMBER OF INELIGIBLE INDIVIDUALS COUNTED AS ELIGIBLE UNDER AS 43.23.025]

C. Sec. 5, line 27:

". . . dividends to [INELIGIBLE] individuals [COUNTED AS ELIGIBLE UNDER AS 43.23.025,] determined to be ineligible under AS 43.23.005(d) as enacted by sec. [2] 1 of this Act, be appropriated annually from the dividend fund to the crime victim compensation fund (AS 18.67.162) to carry out the purpose of AS 18.67."

Question:

Is the appropriation in Sec. 5 intended to be made prior to the first year's distribution or in the next session based on actual numbers of ineligibles determined in Sec. 1?



Official Business

Alaska State Legislature

House

Pouch V
State Capitol
Juneau, Alaska 99811

M E M O R A N D U M

To: Rep. Martin

From: J. Manly *jm*

Date: March 25, 1987

RE: Prisoners receiving permanent fund dividends

You asked that I try to find out how many people incarcerated in the Alaska correctional system could be estimated to have applied for and received permanent fund dividend checks.

I spoke with Susan Knighton of the Department of Corrections at 465-3376, who gave me the following figures:

1801 Long-term inmates

1585 Short-term inmates

3386 Total resident inmate population

Of these, Ms. Knighton said that 169 had their pfd attached for one reason or another, and only 485 actually had their check pass through the Department's accounting system. In other words, most of the prisoner's checks actually did not go directly to them, but to someone else, probably to a relative.

Senator Lloyd Jones

P.O. Box V

Juneau, Alaska 99811

February 16, 1988

Senator Jones,

I have just read in the Ketchikan Daily News that HB245 has passed the House and is now going to the Senate for a vote. This disturbs me as I had no idea that this piece of legislation was even being considered by the House of Representatives. It would seem that the voters are the last to know what is being proposed in our behalf.

I strongly urge a vote against this bill for a number of reasons. Of course you are aware that I have a personal reason for my feelings due to the fact that my son is incarcerated on a felony at this time. However, personal feelings aside, I feel that this withholding of Permanent Fund Dividends from incarcerated felons may be justified for those felons who do in fact have a victim claim against them, but that in no way justifies the taking of all Permanent Fund Dividends.

First and most important is the fact that many of those incarcerated have no other means of funds to further their education and have a chance to become an acceptable part of society. Also many use these funds to help their families survive while the breadwinner is unable to provide for them. It would seem to be a much fairer system to review each case on a separate basis before making such a drastic decision.

With the welfare rolls swelling as they are, I would much prefer to have these people try to support their families as best they can rather than welfare carrying the entire load. It would also allow these people at least a small degree of dignity. This state has been more and more prone to sending the message to those incarcerated people that they are little more than a nuisance to the state as well as society. I realize that this state no longer puts any importance on rehabilitation, but it seems rather hypocritical to put out the message that our children and young people are the future of this state when so many of our young people are being thrown away by the criminal justice system and the elected officials too. Some day these very people that are treated as no-class citizens will be back in society and part of the voting public. Isn't it better to have them released with at least a little self-worth and dignity rather than bitterness and hatred for the state and the rest of society?

From the personal side I'd like to tell you exactly what my son has done with the Permanent Fund checks he has received from the State of Alaska. He has taken a number of college classes, bought his own computer and taught himself to use it, and put himself through a paralegal class. All this has been done at his own expense with only his small wages from working at the jail and his Permanent Fund. For any person to strive so hard to improve himself only to have this means snatched away from him, would certainly be

justified in turning bitter and giving up on life itself. I realize this may sound a little dramatic, however, try putting yourself or someone you love in that position and imagine how it must feel.

It is also important to point out that not all felons have victim compensation claims against them. Those that do not would end up paying the bills for those who have no Permanent Fund coming. They are already paying their debt to society with their most prized of all liberties (freedom), so why add more punishment. This almost smacks of ex post facto law.

If this state is hell bent on taking the funds away from these people, I would at the very least urge an amendment calling for a case by case review before such a drastic step be taken. Surely there must be some compassion and feelings of fairness left in mankind.

I would also like to know why pending legislation is no longer printed in the newspaper so the public may let their views be known to those who represent us. To find out about legislation after it has already been voted on does not seem to be very responsible.

Thank You,

Patricia A. Muzzana
Patricia A. Muzzana

Box 546

Ward Cove, Alaska 99928

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: HB 245

Publish Date: _____

REQUEST _____

Revision Date: _____

Title: An act relating to permanent fund dividends for individuals.

Sponsor: Barnes, et al

Requestor: HESS

Agency Affected: Revenue

BRU: Permanent Fund Dividend

Components: Administrative Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	-	2.1	1.1	1.1	1.1	1.1
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	1.1	0.5	0.5	0.5	0.5
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	3.2	1.6	1.6	1.6	1.6
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER (PFD)	-	3.2	1.6	1.6	1.6	1.6
TOTAL	-	3.2	1.6	1.6	1.6	1.6

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	1	1	1	1	1
TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page if necessary

(See attached)

Prepared By: Ervin B. Jones
Division: Administrative Services

2323
Phone: 465-2313
Date: 5/4/87

Approved by Commissioner: [Signature]
Agency: Revenue

Date: 5/4/87

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

Department of Revenue
Administrative Services Division
Fiscal Note Analysis
HB 245
5/4/87

Assumptions:

1. The bill will become law in 1987.
2. Per the Department of Corrections, there are approximately 3,200 felons who would be incarcerated during part or all of a given fiscal year.
3. The Department of Corrections will provide the Department of Revenue with a list, via magnetic tape, which includes:
 - a) All persons, including full name, birthdate, and social security number, who were incarcerated during all or part of the previous fiscal year for a felony conviction. This list will be provided by August 1 of each year.
 - b) On a paper copy, an annotation of all persons who the Commissioner of Corrections determines are "otherwise eligible under AS 43.23.005(a)(1) and (2)."

Program Summary:

The Department of Revenue will use the list provided in assumption 3(a) to match against the PFD file. Any person who files an application and who appears on that list will be denied their dividend. A denial notice will be sent to the applicant, with notice of right to appeal. If appeals are forthcoming, the Enforcement Division will hold informal conferences, and where requested by the applicant, the Commissioner will hold formal hearings and represent the Department in Superior Court. This is expected to generate approximately 2,000 additional denials in the first year, with a decreasing number in subsequent years, as felons realize that they are ineligible for the dividend.

Using the list prepared as described in assumption 3(b) and using denied applications filed by felons, the Enforcement Division will review all persons listed by the Commissioner of Corrections as residents. This may extend to direct contact with incarcerated felons as to their intent to remain. Those persons determined to be "otherwise eligible" will be included in the denominator under AS 43.23.025.

1. Positions:

1 PPT Document Processor I, R7,
@ \$2117.76/Mo including salary
and benefits for 1 month = \$2.1

This position will assist in the determination of filings by felons and in the processing and mailing of denial notices, appeals, and correspondence. Reduced by half in the second and subsequent years.

2. Other Expenditures:

a) Travel: None.

b) Contractual:

Printing costs and postage for 2,000 additional denial notices, appeal forms and envelopes. Reduced by half in second and subsequent years. =

1.1

c) Supplies: None.

d) Equipment: Use existing.

-0-

TOTAL COST

\$3.2

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

HB 245

Bill Version: HB 245
Publish Date: 04-03-87

REQUEST: _____

Revision Date: _____

Agency Affected: Department of Corrections

Title: "An Act relating to permanent fund dividends for individuals incarcerated"
BRU: _____

Sponsor Rep Barnes, Adams, Collins

Components: _____

Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

S. Knighton

Prepared by: Susan Knighton, Research Analyst IV Phone: 04-22-87
Division: Statewide Programs Date: 465-3376

Approved by Commissioner: Susan Humphrey-Barnett *SHB* Date: 04-22-87
Agency: Department of Corrections

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

provision, see § 22, ch. 99, SLA 1985 in the Temporary and Special Acts.
Effect of amendments. — The 1984

amendment substituted "October" for "December" in paragraph (2).

Sec. 43.23.065. Exemption of permanent fund dividends. (a) Except as provided in (b) of this section, 50 percent of the annual permanent fund dividend payable to an individual is exempt from levy, execution, garnishment, attachment, or any other remedy for the collection of debt. This exemption applies to an eligible individual's permanent fund dividend both before and after payment is made to the individual.

(b) An exemption is not available under this section for permanent fund dividends taken to satisfy

(1) child support obligations required by court order or decision of the child support enforcement agency under AS 47.23.140 — 47.23.220;

(2) court ordered restitution under AS 12.55.045 — 12.55.051 or 12.55.100;

(3) a court ordered probation fee under AS 12.55.105; or

(4) a debt owed by an eligible individual to an agency of the state, unless the debt is contested and an appeal is pending, or the time limit for filing an appeal has not expired.

(c) Claims listed in (b) of this section have priority in the order listed over other claims on a permanent fund dividend. (§ 1 ch 102 SLA 1982; am § 1 ch 157 SLA 1984; am § 57 SLA 1985; am § 67 ch 136 SLA 1986)

Revisor's notes. — Sections 12 and 13, ch. 99, SLA 1985, amend this section and add new (b) and (c). The amendments are effective if § 1, ch. 99, SLA 1985 is repealed (see § 25, ch. 99, SLA 1985). If the amendments become law, the section will read: "(a) Fifty percent of a cash permanent fund dividend payment is exempt from levy, execution, garnishment, attachment, or any other remedy for the collection of debt. This exemption applies to an eligible individual's permanent fund dividend both before and after payment is made to the individual. An exemption is not available under this section for cash permanent fund dividend payments taken to satisfy (1) child support obligations required by court order or decision of the child support enforcement agency under AS 47.23.140 — 47.23.220; (2) a debt owed by an eligible individual to an agency of the state, unless the debt is contested and an appeal is pending, or the time limit for filing an appeal has not expired; or (3) court ordered restitution under AS

12.55.045 — 12.55.051 or 12.55.100. A child support obligation under (1) of this section has priority over a debt owed to an agency of the state, and a permanent fund dividend may not be taken to satisfy a debt under (2) of this section until any portion of the dividend necessary to satisfy a child support obligation has been taken.

"(b) The department shall require an individual to take 100 percent of the permanent fund dividend in cash if the department receives a levy, execution, garnishment, attachment or other legal remedy for the collection of a past due debt described in (a)(1) or (2) of this section.

"(c) The courts of this state may, as a condition of any civil judgment or restitution order under AS 12.55.045 — 12.55.051 or 12.55.100, require the defendant to take the defendant's permanent fund dividend in cash."

Section 22, ch. 99, SLA 1985 provides for an advisory vote to be held at the general election in 1986. For the text of that

provision, see § 22, ch. 99, the Temporary and Specia

Effect of amendments. amendment added the last in the next-to-last sentence "An exemption is not" for "is," inserted "(1)," and added beginning with "(2) a debt" the sentence. Section 2, ch. 1 limits the application of the ment to dividends issued subsequent years.

The first 1985 amendment

Sec. 43.23.075. Elig

Revisor's notes. — Section SLA 1985, amends this amendment is effective if § 1 1985 is repealed (see § 25, 1985). If the amendment becomes section will read: "(a) In determining eligibility of an individual u assistance program administered Department of Health and Social in which eligibility for assistance on financial need, the Department Health and Social Services consider a permanent fund dividend or resources received in ent of public assistance or by the recipient's household un to do so by federal law or regulation Department of Health and Social shall notify all recipients of tance of the effective date per: dividend credit or cash pay

"(b) An individual who is cal assistance under 42 U.S.C. 1396p (Social Security Act) solely because of the credit o permanent fund dividend by ual or by a member of the household is eligible for state ical assistance under the gen assistance program (AS 4

Sec. 43.23.095. Defi

Revisor's notes. — Section SLA 1985, amends (6) of this amendment is effective if § 1. 1985 is repealed (see § 25, 1985). If the amendment becomes paragraph will read: "(6) 'per dividend' means a credit to ar count or a cash payment und ter;"

In addition, § 16, ch. 99, SL

Original sponsors: Barnes, Adams,
Collins, et al.

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2

CS FOR HOUSE BILL NO. 245 (HESS)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to permanent fund dividends for
7 individuals incarcerated after conviction for a
8 felony; and providing for an effective date."

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

10 * Section 1. AS 43.23.005 is amended by adding a new subsection to
11 read:

12 (d) Notwithstanding the provisions of (a) - (c) of this section,
13 an individual who has been convicted of a felony is not eligible for a
14 permanent fund dividend for a year when, during all or part of the
15 fiscal year ending June 30 of the current year, as a result of the
16 conviction the individual is incarcerated. This subsection applies
17 whether or not the individual has applied for the dividend.

18 * Sec. 2. AS 43.23.025 is amended by adding a new subsection to read:

19 (b) For the purpose of calculating the amount of a permanent
20 fund dividend under (a) of this section, an individual who is ineli-
21 gible to receive a dividend under AS 43.23.005(d), but who is other-
22 wise eligible under AS 43.23.005(a)(1) and (2), is counted as an
23 eligible individual whether or not the individual has applied for the
24 dividend.

25 * Sec. 3. AS 43.23.055 is amended to read:

26 Sec. 43.23.055. DUTIES OF THE DEPARTMENT. The department shall
27 (1) annually pay permanent fund dividends from the dividend
28 fund;
29 (2) adopt regulations under the Administrative Procedure

1 the purposes of AS 18.67.

2 * Sec. 6. This Act takes effect immediately under AS 01.10.070(c).