

HB

84



Official Business

Alaska State Legislature

House

P.O. BOX V
State Capitol
Juneau, Alaska 99811

STATE AFFAIRS COMMITTEE

HOUSE BILL 84

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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

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January 29, 1987

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting two bills -- one, a substantive measure, and the other, an appropriation bill -- relating to permanent fund dividends.

The first bill relates to computation and payment of the dividends. The major purpose of the bill is to amend the formula for determining the amount of each year's dividend, to reflect disbursements made from the dividend fund for payment of prior-year dividends. Section 1 of the bill. Existing AS 43.23.055(3) provides a mechanism for persons to establish, in later years, that they have a right to a prior-year dividend. Those affected are children who reach the age of majority and establish that one or more applications were not filed on their behalf in prior years. Under the bill, proposed AS 43.23.025(1)(C) provides for current-year payment of prior-year dividends approved for payment in that year, by recognizing that the amount available for payment of current-year dividends is reduced by the amount necessary to pay approved prior-year dividends.

The legislature addressed the problem of funding prior-year dividends in the 1982 appropriation for the dividend program, by specifying that the appropriation was nonlapsing. The "nonlapse" provision was not, however, included in the FY 1983, 1984, 1985, and 1986 appropriations. (The second bill deals with the 1982 -- 1985 appropriations, and is discussed later in this letter.) This first bill will preclude the necessity for a "nonlapse" provision in future appropriations by statutorily providing that each year's batch of approved prior-year dividends is paid from money in the dividend fund on October 1 of that year. This method of payment will provide a much more accurate way of dealing with an unknown number of prior-year dividend applicants than will a method requiring an "estimate" of that unknown number and the setting-aside of the amount "estimated" necessary to pay those dividends.

Proposed AS 43.23.045(d), in sec. 2 of the bill, provides a "lapse" provision for appropriations made to implement AS 43.23. An appropriation has been the vehicle for the "transfer" of permanent fund income to the dividend fund that is required by current AS 43.23.045(b). The lapse provision in proposed AS 43.23.045(d) will make certain that that appropriation remains available to pay dividends. This provision assures that, to the maximum extent possible, money appropriated to the dividend fund is used to pay dividends. One of the amendments in sec. 1 of the bill, proposed AS 43.23.025(1)(E), amends the dividend determination formula to reflect the new lapse provision.

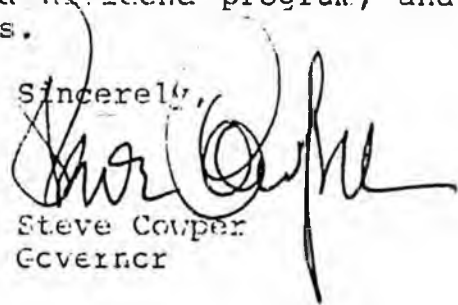
As mentioned earlier in this letter, the second bill deals with the 1982 -- 1985 appropriations made to pay permanent fund dividends. The primary purpose of this bill (in secs. 2 -- 7) is to provide a June 30, 1987 lapse date for the 1982, 1984, and 1985 appropriations, lapsing them to the dividend fund under AS 43.23.045(d) (proposed in the first bill).

Unlike the others, the 1982 appropriations were made from the general fund. Under sec. 1 of the second bill, the remaining portion of the 1982 appropriations lapses back to the general fund June 30, 1987.

The permanent fund dividend appropriation enacted for fiscal year 1987 is not dealt with in this bill because, if enacted, the new lapse provision in the first bill (AS 43.23.-045(d)) will take effect before the end of fiscal year 1987 and will apply to that appropriation.

This pair of bills resolves complicated problems in the administration of the permanent fund dividend program, and I urge your support of these measures.

Sincerely,



Steve Couper
Governor

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

HB 83 + HB 84
3 / 87

Revision Date: _____

REQUEST

Bill/Resolution No: _____
Title: "Computation and payment of
Permanent Fund Dividends"

Sponsor: House Rules
Requestor: Governor
Date of Request: 12/4/86

FISCAL DETAIL

Agency Affected: Department of Revenue
BRU: Permanent Fund Dividend

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

Prepared By: Ervin B. Jones
Division: Administrative Services

Phone: 465-2313
Date: 12/10/86

Approved by ^{For} Commissioner: Wilton B. Barber
Agency: Department of Revenue

Date: 12-10-86

Distribution (by Agency preparing fiscal note):

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

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

3

REQUEST _____

Bill Version: HB 84
Publish Date: _____

Revision Date: _____
Title: An act amending appropriations
pertaining to permanent fund dividends
Sponsor: Rules, Request of Governor
Requestor: State Affairs

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	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

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

ANALYSIS: Attach a separate page if necessary

No administrative impact.

Prepared By: Ervin B. Jones
Division: Administrative Services

Phone: 465-2313
Date: 2/19/87

Approved by Commissioner: [Signature]
Agency: Revenue

Date: 2/19/87

Distribution (by Agency preparing fiscal note):

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

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

3

REQUEST _____

Bill Version: HB 84

Publish Date: _____

Revision Date: _____

Agency Affected: Revenue

Title: An Act amending appropriations pertaining to permanent fund dividends

BRU: Permanent Fund Dividend

Sponsor: House Rules Committee

Components: Enforcement

Requestor: House State Affairs

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

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

ANALYSIS: This bill lapses approximately \$4,667.8 to the general fund and 20,787.3 to the dividend fund as explained in the attached analysis (section I, Estimated PFD Lapse Balances under HB 84 and section II, Required PFD Account Encumbrances under HB 83 and HB 84).

Prepared By: Thomas C. Williams

Phone: 465-2366

Division: Enforcement

Date: February 24, 1987

Approved by Commissioner: [Signature]

Date: 2/25/87

Agency: _____

Distribution (by Agency preparing fiscal note):

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

ALASKA DEPARTMENT OF REVENUE
FISCAL NOTE ANALYSIS OF HB 84
 February 24, 1987

I. ESTIMATED PFD LAPSE BALANCES UNDER HB 84

	Orig. Lapse Date	Total	Dividend	Rev Admin.	H&SS H. Harm
<u>1982 PFD (General Fund)</u>					
Sec. 17 and 18, ch 101, SLA 1982 (A) Fiscal Note	None	\$ 440,560,100 2,500,000	\$ 439,730,100 -0-	\$ 630,000 2,500,000	\$ -0- -0-
Total 1982 Appropriation		<u>\$ 443,060,100</u>	439,730,100	<u>\$ 3,330,000</u>	<u>\$ -0-</u>
Less: 1982 PFD ITD Expended Est. Encumbrance (B)			(435,052,316) (-0-)		
<u>Estimated Lapse under Sec. 1</u>			<u>\$ 4,677,784</u>		
<u>1982 PFD (Dividend Fund)</u>					
Sec 1, ch. 6, SLA 1983 Less: 1982 PFD ITD Expended Est. Encumbrance (B)	None	\$ 41,000,000	\$ 41,000,000 (34,423,433) (586,000)	\$ -0-	\$ -0-
<u>Estimated Lapse under Sec. 2</u>			<u>\$ 5,990,567</u>		
<u>1983 PFD (Dividend Fund)</u>					
Sec. 32, ch. 107, SLA 1983 page 14, line 11 Sec. 2, ch. 44, SLA 1984 Sec. 3, ch. 44, SLA 1984	6/30/84 6/30/85 6/30/85	\$ 179,020,000 11,584,500 284,800	\$ 175,935,300 11,584,500 -0-	\$ 3,084,700 -0- 284,800	\$ -0- -0- -0-
Total 1983 PFD Authorizations		<u>\$ 190,899,300</u>	187,519,800	<u>\$ 3,369,500</u>	<u>\$ -0-</u>
Less: 1983 PFD ITD Expended Est. Encumbrance (B)			(176,632,020) (689,628)		
<u>Est. Lapse under Secs. 3 & 4</u>			<u>\$ 10,198,152</u>		

ALASKA DEPARTMENT OF REVENUE
 FISCAL NOTE ANALYSIS OF HB 84
 February 24, 1987

	Orig. Lapse Date	Total	Dividend	Rev Admin.	H&SS H. Harm
<u>1984 PFD (Dividend Fund)</u>					
Sec. 14, ch. 122, SLA 1984	6/30/85	\$ 155,129,971	\$ 152,114,471	\$ 3,015,500	\$ -0-
Sec. 15, ch. 122, SLA 1984	6/30/85	<u>7,985,700</u>	<u>7,985,700</u>	<u>-0-</u>	<u>-0-</u>
Total 1984 PFD Authorizations		<u>\$ 163,115,671</u>	160,100,171	<u>\$ 3,015,500</u>	<u>\$ -0-</u>
Less: 1984 PFD ITD Expended			(158,650,077)		
Est. Encumbrance (B)			<u>(194,457)</u>		
<u>Est. Lapse under Secs. 5 & 6</u>			<u>\$ 1,255,627</u>		
<u>1985 PFD (Dividend Fund)</u>					
Sec. 14, ch. 98, SLA 1985	6/30/86	\$ 210,733,842	\$ 210,733,842	\$ -0-	\$ -0-
Sec. 26, ch. 98, SLA 1985 page 26, line 5	6/30/86	2,895,900	-0-	2,895,900	-0-
Sec. 26, ch. 97, SLA 1985 page 35, line 7	6/30/86	<u>3,644,300</u>	<u>-0-</u>	<u>-0-</u>	<u>3,644,300</u>
Total 1985 PFD Authorization		<u>\$ 217,274,042</u>	210,733,842	<u>\$ 2,895,900</u>	<u>\$3,644,300</u>
Less: 1985 PFD ITD Expended			(208,258,532)		
Est. Encumbrance (B)			<u>(180,332)</u>		
<u>Estimated Lapse under Sec. 7</u>			<u>\$ 2,294,978</u>		
<u>1986 PFD (Dividend Fund)</u>					
Sec 13, ch. 129, SLA 1986	6/30/87	\$ 295,835,142	\$ 295,835,142	\$ -0-	\$ -0-
Sec 21, ch. 129, SLA 1986 page 21, line 8	6/30/87	3,378,000	-0-	3,378,000	-0-
Sec 21, ch. 129, SLA 1986 page 28, line 22	6/30/87	<u>4,211,700</u>	<u>-0-</u>	<u>-0-</u>	<u>4,211,700</u>
Total 1986 PFD Authorizations		<u>\$ 303,424,842</u>	295,835,142	<u>\$ 3,378,000</u>	<u>\$4,211,700</u>
Less: 1986 PFD ITD Expended			(293,171,545)		
Est. Encumbrance			<u>(2,663,597)</u>		
<u>Estimated 1986 PFD Lapse (C)</u>			<u>(-0-)</u>		

ALASKA DEPARTMENT OF REVENUE
FISCAL NOTE ANALYSIS OF HB 84
 February 24, 1987

Orig. Lapse Date	<u>Total</u>	<u>Dividend</u>	<u>Rev. Admin.</u>	<u>H&SS H. Harm</u>
<u>Actual and Estimated Lapse to Dividend Fund (D)</u>				
1982 PFD	\$ 5,990,567	\$ 5,990,567	\$ -0-	\$ -0-
1983 PFD	10,400,819	10,193,152	202,667	-0-
1984 PFD	1,558,596	1,255,627	202,969	-0-
1985 PFD	2,037,340	2,294,978	412,316	130,046
1986 PFD	NCA	-0-	NCA	NCA
<u>Estimated Additional Amount Available for 1987 PFD under AS 43.23.045(d)</u>				
	\$ 20,787,322	\$ 19,729,324	\$ 217,952	\$ 130,046

NOTES:

A. Included within the Sec. 19, ch. 101, SLA 1982 appropriation was an amount to be used for the PCC/CCC tax credit program. The actual appropriation was as follows:

Total Appropriation	\$ 442,192,100
Less: Tax credit allocation	(1,632,000)
Total PFD allocation	<u>\$ 440,560,100</u>

B. Per section II, Required PFD Account Encumbrances under HB 83 and HB 84.

C. This analysis indicates there will be a shortfall of funds for the 1985 PFD program

Required Funds per PFD Account Encumbrances under HB 83 and HB 84	\$4,531,294
Less: Estimated Encumbrance	<u>2,563,597</u>
Shortfall	<u>(\$1,967,697)</u>

However, because many of the outstanding applications will actually be denied, no actual shortfall is anticipated.

D. Estimated dividend payment lapses are based on this schedule. The amounts included for 1983, 1984, and 1985 PFD Revenue administrative costs and the 1984 and 1985 H&SS hold harmless costs are the amounts already actually lapsed to the dividend fund. The amount of the 1986 Revenue administrative and H&SS hold harmless appropriations that may lapse is not currently available (NCA) and has not been included.

ALASKA DEPARTMENT OF REVENUE
FISCAL NOTE ANALYSIS OF HB 84

February 24, 1987

II. REQUIRED PFD ACCOUNT ENCUMBRANCES UNDER HB 83 AND HB 84

	1986	1985	1984	1983	1982
<u>Unresolved Applications</u>					
Not on File	-0-	-0-	-0-	-0-	-0-
Unpaid					
Incomplete	195	40	18	8	7
Potential Duplicate	165	20	19	1	-0-
Acceptable	544	52	2	-0-	2
No Sponsor on File	-0-	-0-	-0-	-0-	-0-
Review	881	80	34	19	25
Invalid Code	-0-	-0-	-0-	-0-	1
Garnished					
Acceptable	-0-	33	12	72	313
Questioned	-0-	-0-	-0-	2	1
Review	1	-0-	-0-	-0-	-0-
To Be Reissued					
Acceptable	31	6	-0-	-0-	-0-
Questioned	3	1	-0-	-0-	1
Stop Payment					
Acceptable	-0-	-0-	-0-	-0-	3
Cancelled					
Acceptable	3,367	21	13	6	4
No Sponsor on File	-0-	2	4	-0-	5
Questioned	12	8	2	51	12
Review	2	-0-	-0-	-0-	-0-
<u>Total Unresolved Applications</u>	<u>5,201</u>	<u>263</u>	<u>104</u>	<u>159</u>	<u>374</u>
<u>Denial Appealed</u>					
Request to Apply Late	154	21	5	5	3
Informal	2,071	1,353	423	281	190
Formal	-0-	17	42	19	18
Court	-0-	-0-	-0-	-0-	-0-
Invalid Status	-0-	-0-	-0-	-0-	-0-
<u>Total Denial Appealed</u>	<u>2,225</u>	<u>1,391</u>	<u>470</u>	<u>305</u>	<u>211</u>
<u>Appeal Period Not Yet Expired</u>					
Denials	720	-0-	-0-	2	-0-
Informal Upholds	-0-	53	13	1	
Formal Upholds	-0-	-0-	-0-	-0-	-0-
<u>Total Appeal Period Not Expired</u>	<u>720</u>	<u>53</u>	<u>13</u>	<u>3</u>	
<u>Total Potential Payments</u>	<u>8,146</u>	<u>1,707</u>	<u>597</u>	<u>467</u>	<u>586</u>
<u>Dividend Amount</u>	x 556.26	x 404.00	x 331.29	x 386.15	x 1,000.00
<u>Required Funds as of 02/05/87</u>	<u>\$ 4,531,293.96</u>	<u>\$ 689,628.00</u>	<u>\$ 194,467.23</u>	<u>\$ 180,332.05</u>	<u>\$ 586,000.00</u>

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

HB 83 + 1M 4
Revision Date: 11/30/87

REQUEST

Bill/Resolution No. : 773-87-0050
 Title : An Act amending appropriations
 pertaining to permanent fund dividends;
 and providing for an effective date.
 Sponsor : _____
 Requestor : _____
 Date of Request : _____

FISCAL DETAIL

Agency Affected: Health & Social Services
 BRU : _____

 Components : _____

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
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	-0-	-0-	-0-	-0-	-0-	-0-
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

N/A

Prepared by : Michael L. Price *Michael L. Price* Phone : 465-3170
 Division : Family and Youth Services Date : 11/20/86

Approved by Commissioner : John R. Pugh *J.R. Pugh* Date : 11/27/86
 Agency : Department of Health and Social Services

Distribution (by Agency preparing fiscal note) :

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

5

ALASKA DEPARTMENT OF REVENUE
ESTIMATED PFD LAPSE BALANCES UNDER HB 84
 February 19, 1987

Orig. Lapse Date	Total	Dividend	Rev Admin.	H&SS H. Harm
<u>1982 PFD (General Fund)</u>				
Sec. 17 and 18, ch 101, SLA 1982 (A)	None	\$ 440,560,100	\$ 439,730,100	\$ 830,000
Fiscal Note		2,500,000	-0-	2,500,000
		-	-	-
Total 1982 Appropriation		\$ 443,060,100	439,730,100	\$ 3,330,000
Less: 1982 PFD ITD Expended			(435,052,316)	
Est. Encumbrance (B)			-0-	
<u>Estimated Lapse under Sec. 1</u>			\$ 4,677,784	
 <u>1982 PFD (Dividend Fund)</u>				
Sec 1, ch. 6, SLA 1983	None	\$ 41,000,000	\$ 41,000,000	\$ -0-
Less: 1982 PFD ITD Expended			(34,423,433)	\$ -0-
Est. Encumbrance (B)			(5,552,000)	
<u>Estimated Lapse under Sec. 2</u>			\$ 1,024,567	
 <u>1983 PFD (Dividend Fund)</u>				
Sec. 32, ch. 107, SLA 1983 page 14, line 11	6/30/84	\$ 179,020,000	\$ 175,935,300	\$ 3,084,700
Sec. 2, ch. 44, SLA 1984	6/30/85	11,584,500	11,584,500	-0-
Sec. 3, ch. 44, SLA 1984	6/30/85	284,800	-0-	284,800
		-	-	-
Total 1983 PFD Authorizations		\$ 190,889,300	187,519,800	\$ 3,369,500
Less: 1983 PFD ITD Expended			(176,632,020)	
Est. Encumbrance (B)			(1,980,950)	
<u>Est. Lapse under Secs. 3 & 4</u>			\$ 8,906,830	

ALASKA DEPARTMENT OF REVENUE
ESTIMATED PFD LAPSE BALANCES UNDER HB 84
 February 19, 1987

	Orig. Lapse Date	<u>Total</u>	<u>Dividend</u>	<u>Rev Admin.</u>	<u>H&SS H. Harm</u>
<u>1984 PFD (Dividend Fund)</u>					
Sec. 14, ch. 122, SLA 1984	6/30/85	\$ 155,129,971	\$ 152,114,471	\$ 3,015,500	\$ -0-
Sec. 15, ch. 122, SLA 1984	6/30/85	<u>7,985,700</u>	<u>7,985,700</u>	<u>-0-</u>	<u>-0-</u>
Total 1984 PFD Authorizations		<u>\$ 163,115,671</u>	160,100,171	<u>\$ 3,015,500</u>	<u>\$ -0-</u>
Less: 1984 PFD ITD Expended			(158,650,077)		
Est. Encumbrance (B)			<u>(744,740)</u>		
<u>Est. Lapse under Secs. 5 & 6</u>			<u>\$ 705,354</u>		
<u>1985 PFD (Dividend Fund)</u>					
Sec. 14, ch. 98, SLA 1985	6/30/86	\$ 210,733,842	\$ 210,733,842	\$ -0-	\$ -0-
Sec. 26, ch. 98, SLA 1985 page 26, line 5	6/30/86	2,895,900	-0-	2,895,900	-0-
Sec. 26, ch. 97, SLA 1985 page 35, line 7	6/30/86	<u>3,644,300</u>	<u>-0-</u>	<u>-0-</u>	<u>3,644,300</u>
Total 1985 PFD Authorization		<u>\$ 217,274,042</u>	210,733,842	<u>\$ 2,895,900</u>	<u>\$3,644,300</u>
Less: 1985 PFD ITD Expended			(208,258,532)		
Est. Encumbrance (B)			<u>(1,657,208)</u>		
<u>Estimated Lapse under Sec. 7</u>			<u>\$ 818,102</u>		
<u>1986 PFD (Dividend Fund)</u>					
Sec 13, ch. 129, SLA 1986	6/30/87	\$ 295,835,142	\$ 295,835,142	\$ -0-	\$ -0-
Sec 21, ch. 129, SLA 1986 page 21, line 8	6/30/87	3,378,000	-0-	3,378,000	-0-
Sec 21, ch. 129, SLA 1986 page 28, line 22	6/30/87	<u>4,211,700</u>	<u>-0-</u>	<u>-0-</u>	<u>4,211,700</u>
Total 1986 PFD Authorizations		<u>\$ 303,424,842</u>	295,835,142	<u>\$ 3,378,000</u>	<u>\$4,211,700</u>
Less: 1986 PFD ITD Expended			(293,171,540)		
Est. Encumbrance			<u>(2,663,597)</u>		
<u>Estimated 1986 PFD Lapse (C)</u>			<u>(-0-)</u>		

ALASKA DEPARTMENT OF REVENUE
ESTIMATED PFD LAPSE BALANCES UNDER HB 84
 February 19, 1987

<u>Orig. Lapse Date</u>	<u>Total</u>	<u>Dividend</u>	<u>Rev Admin.</u>	<u>H&SS H. Harm</u>
<u>Actual and Estimated Lapse to Dividend Fund (D)</u>				
1982 PFD	\$ 1,024,567	\$ 1,024,567	\$ -0-	\$ -0-
1983 PFD	9,109,497	8,906,830	202,667	-0-
1984 PFD	1,008,323	705,354	302,969	-0-
1985 PFD	1,360,464	818,102	412,316	130,046
1986 PFD	NCA	-0-	NCA	NCA
<u>Estimated Additional Amount Available for 1987 PFD under AS 43.23.045(d)</u>				
	<u>\$ 12,502,851</u>	<u>\$ 11,454,853</u>	<u>\$ 917,952</u>	<u>\$ 130,046</u>

NOTES:

- A. Included within the Sec. 19, ch. 101, SIA 1982 appropriation was an amount to be used for the PCC/CCC tax credit program. The actual appropriation was as follows:

Total Appropriation	\$ 442,192,100
Less: Tax credit allocation	(1,632,000)
Total PFD allocation	<u>\$ 440,560,100</u>

- B. Per attached Analysis of PFD Account Balances schedule dated February 5, 1987.
- C. The February 5, 1987 Analysis of PFD Account Balances indicates there will be a shortfall of \$3,266,134 for the 1986 PFD program. However, because many of the outstanding applications will actually be denied, no actual shortfall is anticipated.
- D. Estimated dividend payment lapses are based on this schedule. The amounts included for 1983, 1984, and 1985 PFD Revenue administrative costs and the 1984 and 1985 H&SS hold harmless costs are the amounts already actually lapsed to the dividend fund. The amount of the 1986 Revenue administrative and H&SS hold harmless appropriations that may lapse is not currently available (NCA) and has not been included.

ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND PROGRAM
ANALYSIS OF PFD ACCOUNT BALANCES
As of February 5, 1987

	1986	1985	1984	1983	1982
<u>Unresolved Applications</u>					
Not on File	-0-	-0-	-0-	-0-	-0-
Unpaid					
Incomplete	195	40	18	8	7
Potential Duplicate	165	20	19	1	-0-
Acceptable	544	52	2	-0-	2
No Sponsor on File	-0-	-0-	-0-	-0-	-0-
Review	881	80	34	19	25
Invalid Code	-0-	-0-	-0-	-0-	1
Garnished					
Acceptable	-0-	33	12	72	313
Questioned	-0-	-0-	-0-	2	1
Review	1	-0-	-0-	-0-	-0-
To Be Reissued					
Acceptable	31	6	-0-	-0-	-0-
Questioned	3	1	-0-	-0-	1
Stop Payment					
Acceptable	-0-	-0-	-0-	-0-	3
Cancelled					
Acceptable	3,367	21	13	6	4
No Sponsor on File	-0-	2	4	-0-	5
Questioned	12	8	2	51	12
Review	2	-0-	-0-	-0-	-0-
<u>Total Unresolved Applications</u>	<u>5,201</u>	<u>263</u>	<u>104</u>	<u>159</u>	<u>374</u>
<u>Denial Appealed</u>					
Request to Apply Late	154	21	5	5	3
Informal	2,071	1,353	423	281	190
Formal	-0-	17	42	19	18
Court	-0-	-0-	-0-	-0-	-0-
Invalid Status	-0-	-0-	-0-	-0-	-0-
<u>Total Denial Appealed</u>	<u>2,225</u>	<u>1,391</u>	<u>470</u>	<u>305</u>	<u>211</u>
<u>Appeal Period Not Yet Expired</u>					
Denials	720	-0-	-0-	2	-0-
Informal Upholds	-0-	53	13	1	1
Formal Upholds	-0-	-0-	-0-	-0-	-0-
<u>Total Appeal Period Not Expired</u>	<u>720</u>	<u>53</u>	<u>13</u>	<u>3</u>	<u>1</u>
<u>18 Year-Old First-time Filers</u>					
Original Estimated	2,529	2,438	1,683	4,683	5,000
Not on file	(1)	(3)	(-0-)	(-0-)	(1)
On file--In Review	(11)	(38)	(22)	(18)	(30)
Paid	(3)	(2)	(-0-)	(2)	(3)
Denied--Appeal or APNYE*	(NCA)	(NCA)	(NCA)	(NCA)	(NCA)
<u>Total Potential 18 Year-Olds</u>	<u>2,514</u>	<u>2,393</u>	<u>1,661</u>	<u>4,663</u>	<u>4,966</u>
<u>Total Potential Payments</u>	<u>10,660</u>	<u>4,102</u>	<u>2,248</u>	<u>5,130</u>	<u>5,552</u>
<u>Dividend Amount</u>	<u>x 556.26</u>	<u>x 404.00</u>	<u>x 331.29</u>	<u>x 386.15</u>	<u>x 1,000.00</u>
<u>Required Funds at 6/7/05/87</u>	<u>\$ 5,929,731.60</u>	<u>\$ 1,657,208.00</u>	<u>\$ 744,739.95</u>	<u>\$ 1,980,949.50</u>	<u>\$ 5,552,000.00</u>
<u>Less: Funds Available (A)</u>					
Original Appropriation	(2,663,597.19)	(2,475,310.19)	(1,450,104.79)	(1,657,809.14)	(4,677,783.51)
Supplement Appropriation	(-0-)	(-0-)	(-0-)	(9,229,969.97)	(6,577,567.20)
<u>Total Funds Available at 2/5/87</u>	<u>(2,663,597.19)</u>	<u>(2,475,310.19)</u>	<u>(1,450,104.79)</u>	<u>(10,887,779.11)</u>	<u>(11,255,350.71)</u>
<u>(Excess) Shortage</u>	<u>\$ 3,266,134.41</u>	<u>(\$ 818,102.19)</u>	<u>(\$ 705,364.87)</u>	<u>(\$ 8,906,829.61)</u>	<u>(\$ 5,702,350.71)</u>