

SR

310

SENATE COMMITTEE REPORT

FURTHER

DATE TURNED INTO OFFICE _____

3/28/88
Mr. President:

_____ Finance _____ Committee considered _____ SB 310 _____

contributions from permanent fund dividends to the University of Alaska Foundation; efd

and recommended

[] replace with _____ CS _____) [] same title
[] or adopt _____ CS _____) [] new title

[] attached amendment(s) and

[] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

[] letter of intent adopted _____

Committee [] attached or [] adopted fiscal note(s)

[] new [] updated or [] previous

[] zero [] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Chairman signature and recommendation

[] Committee Backup attached

SENATE COMMITTEE REPORT

FURTHER Finance

DATE TURNED INTO OFFICE 3/28/88

2/11/88

Mr. President:

HESS Committee considered SB 310

contributions from permanent fund dividends to the University of Alaska Foundation; efd

and recommended

replace with _____ CS _____) same title
 or adopt _____ CS SB 310 (STATE FEEFUND)) new title

attached amendment(s) and *and recommends the S.A. CS be adopted + do pass*

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)
 new updated or previous *ND*
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Handwritten signatures: Keith, Josephson, Fanning]

1 Paul Friske (Do Pass)
Chairman signature and recommendation

Committee Backup attached

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 2-3-88 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: HESS
FINANCE

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

5/19/87

DATE TURNED INTO OFFICE 2/11/88

Mr. President:

STATE AFFAIRS Committee considered SB 310

contributions from permanent fund dividends to the University of
Alaska Foundation; efd.

may
and recommended:

replace with CS SB 310 (SA) same title
 attached amendment(s) and + do pass new title

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Rich Kelly

Joe Gonzalez

Sen. Keith Arnold
Chairman signature and recommendation

Committee Backup Attached

Offered: 2/11/88
Referred: Health, Education and Social
Services and Finance

5-1241B

Original sponsors: Sturgulewski and Fahrenkamp

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 310 (State Affairs)

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 contributions from permanent fund
7 dividends to the University of Alaska Foundation,
8 Inc.; and providing for an effective date."

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

10 * Section 1. AS 43.23 is amended by adding a new section to read:

11 Sec. 43.23.016. CONTRIBUTIONS FROM DIVIDENDS. (a) The depart-
12 ment shall prepare the permanent fund dividend application to allow an
13 applicant to elect to have money subtracted from the dividend check
14 and contributed to the University of Alaska Foundation, Inc.

15 (b) The amount of a contribution elected under (a) of this
16 section is \$5. Contributions shall be deposited in a special trust
17 account and allocated by the department to the University of Alaska
18 Foundation, Inc., except that the department shall use money in the
19 account to pay administrative costs incurred under this section.

20 * Sec. 2. This Act takes effect July 1, 1988.

Introduced: 5/19/87
Referred: State Affairs,
Health, Education & Social Services
& Finance

5-1241A

1 IN THE SENATE

BY STURGULEWSKI AND FAHRENKAMP

2 SENATE BILL NO. 310

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 contributions from permanent fund
7 dividends to the University of Alaska Foundation,
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16 section is \$5. Contributions shall be deposited in a special trust
17 account and allocated by the department to the University of Alaska
18 Foundation, Inc., except that the department shall use money in the
19 account to pay administrative costs incurred under this section.

20 * Sec. 2. This Act takes effect July 1, 1987.

FISCAL NOTE

REQUEST

Revision Date: _____
Title: Contributions from PFDS to
University of Alaska Foundation
Sponsor: Sturgulewski, Fahrenkamp
Requestor: Senate State Affairs

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	-	21.2	11.2	11.2	11.2	11.2
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	11.0	11.0	11.0	11.0	11.0
SUPPLIES	-	0.2	0.2	0.2	0.2	0.2
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	32.4	22.4	22.4	22.4	22.4
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	32.4	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	22.4	22.4	22.4	22.4
TOTAL	-	32.4	22.4	22.4	22.4	22.4

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	3	2	2	2	2
TEMPORARY	-	-	-	-	-	-

ANALYSIS: See attached.

Prepared By: Ervin Jones
Division: Permanent Fund Dividend Division

Phone: 465-2323
Date: February 10, 1988

Approved by Commissioner: [Signature]
Agency: Revenue

Date: 2/10/88

Distribution (by preparer):

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

FISCAL NOTE

REQUEST

Revision Date: _____
Title: Contributions from PFDs to
University of Alaska Foundation
Sponsor: Sturgulewski, Fahrenkamp
Requestor: Senate State Affairs

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	-	21.2	11.2	11.2	11.2	11.2
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	11.0	11.0	11.0	11.0	11.0
SUPPLIES	-	0.2	0.2	0.2	0.2	0.2
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	32.4	22.4	22.4	22.4	22.4
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	32.4	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	22.4	22.4	22.4	22.4
TOTAL	-	32.4	22.4	22.4	22.4	22.4

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	3	2	2	2	2
TEMPORARY	-	-	-	-	-	-

ANALYSIS: See attached.

Prepared By: Ervin Jones
Division: Permanent Fund Dividend Division

Phone: 465-2323
Date: February 10, 1988

Approved by Commissioner: [Signature]
Agency: Revenue

Date: 2/10/88

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
SB 310
February 10, 1988

Assumptions:

- 1) The bill will take effect for the 1989 permanent fund dividend year and application. The 1988 dividend application has already been printed.
- 2) There are currently 17 bills which if signed into law, would result in some form of "check-off" on the 1989 dividend application. The Department of Revenue has no insight as to which, and how many, of these bills will become law. This fiscal note, and all related fiscal notes, is prepared on the assumption that the subject bill is the only bill of this nature which will become law. The passage of multiple bills with varying formulas (\$5, \$25, half of dividend, all or part of dividend, etc.) will inevitably have a compounding effect. Whereas there may be savings in some areas, there will be increased costs in others.
- 3) All FY89 costs of administering this law will be borne by the general fund, since no funds will be available to the trust account until October 1, 1989. Funding for administrative costs in FY90 and thereafter will be taken from the trust account as appropriated by the legislature.
- 4) The incremental cost of computer resources will result in a chargeback by the Department of Administration.
- 5) Whereas the cost of programming changes will be a one-time cost, the cost of document review, data capture, data processing chargeback, and the extra page in the dividend application will be continuing.
- 6) Contributions will only be honored to the extent of available funds. Garnishments and assignments will take precedence in the order established by statute. Contributions will then be honored in the order listed on the form schedule, which will be in the order they become law.

Program Summary:

The provision of a new contribution decision on the dividend application will cause additional administrative cost in several areas:

- a) An additional page added to each application, a schedule of contribution decisions.
- b) The computer system will need to be changed to account for the change in the program, to establish new accounting controls and to provide for the transfer of funds to the trust account (see Attachment A).

- c) Each of approximately 540,000 PFD applications will need to be visually reviewed and coded as to decision on the contribution decision. Each application will be data captured with additional attention and keystrokes expended on each positive decision.
- d) The accounting for the trust account will be performed by existing staff.

1. Positions

1 PPT Analyst/Programmer V, R21
 @ \$4,991.72/Mo including salary
 and benefits for 2 months = \$10.0

PCN 04-1125 would be funded for an additional two months, in accordance with Attachment A. Ongoing maintenance of new programs would be accomplished by existing staff.

1 PPT Document Processor I, R7
 @ \$2,212.37/Mo, including salary and
 benefits for 3 months = \$6.6

This position would assist in the manual review and coding of 540,000 applications for the new contribution decision. This position represents the equivalent of the additional time and effort.

1 PPT Data Processing Clerk I, R8,
 @ \$2,317.81/Mo, including salary and
 benefits for 2 months = \$4.6

This position would assist in the data capture of the additional contribution decisions. The position represents the equivalent value of the additional time and effort.

TOTAL Personal Services \$21.2

2. Other Expenditures:

a) Travel: None.

b) Contractual:

Data Processing Chargeback \$5.0
 Add additional page to PFD
 booklet \$6.0

c) Supplies: \$0.2

d) Equipment: Use existing equipment 0.0

TOTAL COST \$32.4

3. Funding: General Fund.

4. Section Cost Analysis: N/A.

Computations: N/A.

Economic Impact: N/A.

Impact on Local Government: N/A.

Suggested Amendments:

1. Sec. 2, line 20 is amended as follows:

"*Sec. 2. This act takes effect January 1, 1989 [JULY 1, 1987].

Attachments: Attachment A: "Summary of DP Needs"

Department of Revenue
Administrative Services Division
Fiscal Note Analysis
SB 310
Summary of Data Processing Requirements
February 10, 1988

Wang data entry processing	75.0 hours
Includes:	Data entry Batch lists Corrections Wang to IBM transfer
IBM Update jobs	30.0 hours
Includes:	Edits Batch listings Log sheets
DMS Online programs for lookup and changes	37.5 hours
Nightly Update of Changes	22.5 hours
Warrant Jobs	90.0 hours
Includes:	Printing warrants with different amounts. Include check stub messages. Modify warrant registers as needed for balancing. Create new program(s) for transferring accumulated contributions to the trust account, and to account for the reserve necessary due to returned and cancelled PFD warrants.
Miscellaneous	45.0 hours
Includes:	Setting up test files on IBM Systems testing Administrative functions, i.e. paper work required by Admin. DP to add files and programs to tables.
TOTAL HOURS	300.0 hours

Introduced: 5/19/87
Referred: State Affairs,
Health, Education & Social Services
& Finance

5-1241A

1 IN THE SENATE

BY STURGULEWSKI AND FAHRENKAMP

2

SENATE BILL NO. 310

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

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A BILL

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Foundation, Inc., except that the department shall use money in the

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account to pay administrative costs incurred under this section.

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* Sec. 2. This Act takes effect July 1, 1987.

1/1/89

ALASKA STATE LEGISLATURE

.15th. Legislature 1st...Session

SENATE...BILL..... NO...310

By .. STURGULEWSKI, FAHRENKAMP..

"An Act relating to contributions from permanent fund dividends to the University of Alaska Foundation; and providing for an effective date."

Introduced in the Senate ..5/19....., 19 .87...

HISTORY IN THE SENATE

19 87	Read first time and referred to Committee on										
5 19	State Affairs, HESS and Finance Reported back with recommendation that										
19 88											
2 11	<i>Sta Aff. replace w/ CS-3 do pass FN to HESS</i>										
3 28	<i>HESS: 5 adopt SA CS + do pass, prev FN to remain</i>										
	Read second time and										
	Read third time and										
	<table border="0"> <tr><td>PASSED</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Excused</td><td>Excused</td></tr> <tr><td>Absent</td><td>Absent</td></tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
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PASSED	Effective Date										
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Nays	Nays										
Excused	Excused										
Absent	Absent										
	Reported correctly engrossed Signed by President Sent to House										
SECRETARY OF THE SENATE											

HISTORY IN THE HOUSE

19	Read first time and referred to Committee on										
	Reported back with recommendation that										
	Read second time and										
	Read third time and										
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Absent	Absent										
	Reported correctly engrossed Signed by Speaker Returned to Senate										
CHIEF CLERK OF THE HOUSE											

HISTORY IN THE SENATE

19	Received from House
	To enrolling
	Reported correctly enrolled
	Sent to Governor
 by Governor
	Chapter No.
	Filed with Lt. Governor