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SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of waived 1/14/88 5-DAY NOTICE  
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER:

\*\*FISCAL NOTE(S) ATTACHED \*\*  
IN ACCORDANCE WITH AS 24.08.025  
(see below)

1/12/88  
Mr. President:

DATE TURNED INTO OFFICE 1/18/88

Finance Committee considered SB 335

making, amending, lapsing, and repealing appropriations pertaining  
to permanent fund dividends; efd

and recommended:

- replace with CS \_\_\_\_\_  same title
- attached amendment(s) and  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

\_\_\_\_\_  
*Paul G. Frank*  
 \_\_\_\_\_  
*Jim Duncan*  
 \_\_\_\_\_  
*Rich Vehl*  
 \_\_\_\_\_  
*W. H. ...*  
 \_\_\_\_\_  
*John ...*  
 \_\_\_\_\_

\_\_\_\_\_  
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 \_\_\_\_\_  
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\_\_\_\_\_  
*Rich Vahlund do pass*  
 Chairman signature and recommendation

Committee Backup Attached

*Adopted*  
*1/18/88*

PROPOSED AMENDMENT TO SENATE BILL 335

(Making, amending, lapsing, and  
repealing appropriations pertaining  
to permanent fund dividends)

Section 5 - Delete language and replace with:

\*Sec. 5. "This Act takes effect on the effective date of  
An Act amending the method for computation of  
permanent fund dividends to include additional  
money appropriated to the dividend fund in the  
total amount available for dividend payments.

Senator Paul Fischer  
1-18-88

STATE OF ALASKA  
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

January 15, 1988

SUBJECT: Suggested Effective Date Clause for SB 335  
TO: Senator Paul Fischer  
FROM: George Utermohle *GU*  
Legislative Counsel

The following language is offered for your consideration as a new effective date clause for SB 335.

This Act takes effect on the effective date of an Act amending the method for computation of permanent fund dividends to include additional money appropriated to the dividend fund in the total amount available for dividend payments.

This proposed language is more precise than the language currently in SB 335. The current language of SB 335 conditions its effective date on the effective date of a bill with a certain title. The bill need not pass to cause SB 335 to take effect; this is not the intent of the conditional effective date. Also, it is not important what the Act triggering SB 335 is entitled; what is important is that the Act allows the appropriations made by SB 335 to be included in the permanent fund dividend for 1988. Thus the substance of the bill is more important than the title.

Please contact me if you would like to discuss this proposed language further.

GU:lmb  
L6/035

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
Title: An Act making, amending, lapsing, and repealing appropriations pertaining to permanent fund dividends.  
Sponsor: Senators Fischer and Faiks  
Requestor: Senate Finance

Agency Affected: Revenue  
BRU: Permanent Fund Dividend  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

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

ANALYSIS: (Attach a separate page if necessary)

See attachment.

Prepared By: Royce B. Weller *RW* Phone: 465-2300  
Division: Commissioner's Office Date: January 15, 1988

Approved by Commissioner: Hugh Malone *H Malone* Date: January 15, 1988  
Agency: Department of Revenue

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)

Prior Year Permanent Fund Dividend Payment History  
as of January 14, 1988

AR #	Appropriation Cite	Dividend Year	Appropriation Amount	Expended to date	Encumbered Balance	Unencumbered Balance	Amount to Reserve for Potential Liabilities	Balance
15720	Ch. 101 SLA 82 General Fund	1982	\$421,032,500.00	\$416,217,256.53	\$4,676,890.61	\$ 138,575.89	\$408,000.00	\$4,407,466.50
15795	Ch. 6 SLA 83 PFD Fund	1982 Supplemental	\$ 41,000,000.00	\$ 34,422,432.80	\$6,577,567.20	0.00	0.00	6,577,567.20
15800	Ch. 107 SLA 83 PFD Fund	1983	\$175,935,300.00	\$174,254,300.19	\$ 192,302.70	\$1,488,697.11	59,853.25	1,621,146.55
15805	Ch. 44 SLA 84 PFD Fund	1983 Reopening	\$ 11,584,500.00	\$ 2,354,530.03	0.00	\$9,229,969.97	0.00	9,229,969.97
15765	Ch. 122 SLA 84 PFD Fund	1984	160,100,171.00	158,654,315.65	\$ 164,319.84	\$1,281,535.51	42,405.12	1,403,450.23
15502	Ch. 98, SLA 85 PFD Fund	1985	208,910,043.58	206,790,675.16	\$2,119,368.42	0.00	119,988.00	1,999,380.42

1 IN THE SENATE

BY FISCHER, FAIKS

2

SENATE BILL NO. 335

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act making, amending, lapsing, and repealing  
7 appropriations pertaining to permanent fund divi-  
8 dends; and providing for an effective date."

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

10 \* Section 1. The unexpended and unobligated balances of the following  
11 appropriations lapse into the general fund June 30, 1988:

12 (1) sec. 17, ch. 101, SLA 1982, as amended by sec. 122, ch. 105,  
13 SLA 1985;

14 (2) sec. 18, ch. 101, SLA 1982.

15 \* Sec. 2. The unexpended and unobligated balances of the following  
16 appropriations are repealed and an amount equal to the sum of the appro-  
17 priations repealed by this section is appropriated from the dividend fund  
18 to the Department of Revenue to pay permanent fund dividends in 1988:

19 (1) sec. 1, ch. 6, SLA 1983;

20 (2) sec. 2, ch. 44, SLA 1984;

21 (3) sec. 3, ch. 44, SLA 1984;

22 (4) sec. 26, ch. 98, SLA 1985, page 26, line 5 (permanent fund  
23 dividend);

24 (5) sec. 26, ch. 98, SLA 1985, page 35, line 7 (permanent fund  
25 dividend hold harmless).

26 \* Sec. 3. The unexpended and unobligated balances of the following  
27 appropriations are repealed and an amount equal to the sum of the appro-  
28 priations repealed by this section is appropriated from the earnings re-  
29 serve account of the permanent fund to the dividend fund:

1 (1) sec. 32, ch. 107, SLA 1983, page 14, line 11 (permanent fund  
2 dividend);

3 (2) sec. 14, ch. 122, SLA 1984;

4 (3) sec. 15, ch. 122, SLA 1984;

5 (4) sec. 14, ch. 98, SLA 1985, as amended by sec. 763, ch. 105,  
6 SLA 1985.

7 \* Sec. 4. An amount equal to the amount appropriated to the dividend  
8 fund by sec. 3 of this Act is appropriated from the dividend fund to the  
9 Department of Revenue to pay permanent fund dividends in 1988.

*Amende 6*  
10 → \* Sec. 5. This Act takes effect on the effective date of a version of a  
11 bill entitled, An Act relating to computation of permanent fund dividends.

SECTIONAL ANALYSIS (Senator Paul Fischer)

SENATE BILL 335 (Making, amending, lapsing, and repealing appropriations pertaining to permanent fund dividends)

This bill provides for the transfer of the unexpended and unobligated balances of permanent fund dividend appropriations for what are known as "prior year dividends" for the years 1982 through 1985.

Section 1 lapses the unexpended and unobligated balances of the 1982 appropriations originally made from the general fund back to the the general fund (approximately \$4 million).

Section 2 of the bill repeals the unexpended and unobligated balances of 1983, 1984, and 1985 appropriations from the dividend fund to the Department of Revenue for the payment of dividends.

Section 3 repeals the unexpended and unobligated balances in several appropriations from the permanent fund earnings reserve account to pay permanent fund dividends in the years 1983 through 1985. This would allow the Department of Revenue to "sweep" all their accounts and deposit the balances in one account.

Section 4 appropriates the sum of money appropriated to the dividend fund by section 3 of this bill out of the dividend fund to the Department of Revenue for payment of permanent fund dividends.

Section 5 is the effective date and is contingent upon passage of Senate Bill 336 or a similar version. However, an amendment will be offered by the sponsor to replace this section.

1-15-88

**FISCAL NOTE**

**REQUEST:**

Revision Date: \_\_\_\_\_ Agency Affected: Department of  
 Title: Making, amending, lapsing & BRU: Revenue  
repealing appropriations to PFDs;efd  
 Sponsor: Senators Fischer & Faiks Components: \_\_\_\_\_  
 Requestor: Senate Finance Committee

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CAPITAL</b>						
<b>REVENUE</b>						

**FUNDING: (Thousands of Dollars)**

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS:**

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

**ANALYSIS :** (Attach a separate page if necessary)

Prepared by: \_\_\_\_\_ Phone: 465-4958  
 Division: Senator Rick Halford, Co-chairman Date: \_\_\_\_\_  
Senate Finance Committee

Approved by Commissioner: \_\_\_\_\_ Date: \_\_\_\_\_  
 Agency: \_\_\_\_\_

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)