

HB

245

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.

TBC:bb
WKB1/078

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

STEVE COWPER, GOVERNOR

REPLY TO:

1031 W 4th AVENUE
SUITE 200
ANCHORAGE, ALASKA 99501-1994
PHONE: (907) 276-3550

1st NATIONAL CENTER
100 CUSHMAN ST.
SUITE 400
FAIRBANKS, ALASKA 99701-4679

P.O. BOX K—STATE CAPITOL
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600

January 29, 1988

The Honorable Al Adams
Representative, State of Alaska
Chairman, House Finance Committee
P.O. Box V
Juneau, AK 99811

Re: CSHB 245(Jud); permanent fund
dividends for felons

Dear Representative Adams:

You have requested an update of my letter of March 2, 1987, to Representative Ramona Barnes, concerning a draft bill proposing to make incarcerated felons ineligible for permanent fund dividends. The draft bill was subsequently introduced as HB 245.

We continue to believe that the bill is constitutional, although we recognize that constitutional issues may exist in denying permanent fund dividends to incarcerated felons. We also repeat that, at the present time, the Department of Law has no opinion on the merits of this proposed legislation.

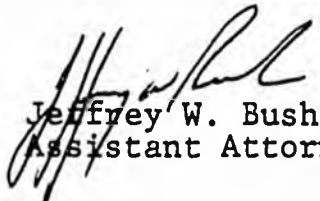
In my March 2, 1987 letter, I suggested a number of minor changes to the draft bill. All of these changes are incorporated in CSHB 245(Jud), and I have no further recommendations at this time.

I hope this answers your questions.

Sincerely yours,

GRACE BERG SCHAIBLE
ATTORNEY GENERAL

By:


Jeffrey W. Bush
Assistant Attorney General

JWB:nb

cc: Honorable Ramona Barnes
Royce Weller, Special Assistant
Department of Revenue

FISCAL NOTE

REQUEST

Revision Date: 01/27/88
Title: An act relating to permanent fund dividends for incarcerated felons
Sponsor: Judiciary
Requestor: House Finance

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
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	1.1	.5	.5	.5
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	3.3	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
TOTAL	-	-	3.3	1.6	1.6	1.6

POSITIONS:

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

ANALYSIS: See attached

Prepared By: Ervin Jones
Division: Permanent Fund Dividend Division

Phone: 465-2323
Date: January 27, 1988

Approved by Commissioner: A. Malone
Agency: Revenue

Date: 1/29/88

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 (Judiciary)
01/27/88

Assumptions:

1. The bill will be effective for the 1989 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.

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
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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

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act relating to permanent fund dividends for individuals incarcerated."
Sponsor: Rep. Barnes, Adams, Collins
Requestor: _____

Agency Affected: Department of Corrections
BRU: _____
Components: _____

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						
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)

Susan E. Knighton

Prepared by: Susan E. Knighton, Director
Division: Administrative Services

Phone: 465-3376
Date: 1-28-88

Approved by Commissioner: Susan Humphrey-Barnett
Agency: Department of Corrections

Date: 1-28-88

Distribution (by preparer):

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

Representative Ramona Barns
Pouch V
Juneau, AK 99811,

Dear Ramona,

I would like you to have this petition in support of your bill, HB245. This petition is signed by Correctional Officers who see first hand what use these checks go for. When the first batch of checks are recieved, commisary purchases increase to over \$13,000. The inmates purchase colar TV's, stereos', electric guitars, personal computers, etc., etc. They even assign thier checks to other inmates to pay-off gambeling debts, sex debts, and drug debts (i.e. Inmate Kozeroff assigned PFD to Inmate Kusmider, check #511159).

I can assure you that they do not send it to thier spouses, dependant children, or thier victims. It should also be noted that inmates can work and be paid while incarcerated, but a vast number choose to sleep all day and play cards and watch cable TV, (which the State provides) all night.

Inmate Cordell Boyd and Inmate Winona Fletcher savagely murdered Tom and Ann Facio and Emelia Elliott in thier Anchorage home in April of 1985. Both recieved 297 year sentences. The State of Alaska now houses, feeds, clothes, provides free medical and dental care, cable TV, and numerous other programs for these two. Do we really owe them them a share in Alaska's productivity? I wonder what Tom, Ann, and Emelia would say? Well, Alaska Correctional Officers say, "No" and hope Legislators vote that way.

Thank you.

VGT

Patrick M. Rodey
Senator

Alaska State Legislature

1024 W. 6th Avenue, Suite 308
Anchorage, Alaska 99501
(907) 276-6731



During Session:
P.O. Box V
Juneau, Alaska 99811
(907) 461-3717

Senate

MAR 9 1988

DATE: March 8, 1988

TO : Senator Paul Fischer, Chair
Senate HESS Committee

FROM: Senator Patrick Rodey

RE : House Bill 245 - legislation which would deny permanent fund dividends to jailed felons

Since the above-referenced legislation is before your committee for consideration, I am taking the liberty of forwarding a copy of a letter I just received from one of my constituents expressing her concerns in House Bill 245.

I believe Roberta Stevens raises a valid point regarding the impact such a proposal could have on minor children who are supported by the felon.

I would appreciate your committee taking this matter under consideration when the bill is scheduled for debate.

cc Members - Senate HESS Committee

February 22, 1988
2709 W. 29th Avenue
Anchorage, AK 99517

Senator Pat Rodey
P. O. Box V
Juneau, AK 99811

Dear Senator Rodey:

I am writing to request that you do not vote for the bill coming before the Senate turning convicted felon's permanent fund money over to the State for the Violent Crimes Compensation Board.

While on the surface this may seem like a good thing to do, unless there are some safeguards, I believe that the bill will be detrimental to the majority of people involved.

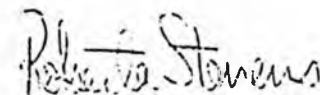
As you are probably aware, the permanent fund money is the only money many mothers receive for the support of the children of felons. Taking this money away from them would create a severe hardship, on people who are already strapped. This money provides school clothes, food, and medical expenses, where none would be available were the money turned over to the Violent Crimes Compensation Board.

While I agree that the felons should be paying the victims of their crimes, when there are innocent children, perhaps themselves victims, the first priority of the State should be their welfare. I would not be against a bill such as the one passed by the House, IF it contained language that would allow felon's children to receive their money before anyone else. In other words, if the Child Support Enforcement Division did not have an attachment, then the money would go to the Violent Crimes Compensation Board.

To my way of thinking, when (and if) the felon is released, he should be paying the State back for any monies expended by the Violent Crimes Compensation Board for his victims. This would generate some more revenue for the Board. At the most felon's money would be tied up by the Child Support Division for 18 years. Then it could be earmarked for the Violent Crimes Compensation Board, after the initial obligation to the children was met.

Thank you for your time and interest.

Sincerely,


Roberta Stevens

cc: file