

HB

467

HOUSE COMMITTEE ON STATE AFFAIRS

**RECAP OF
HB 467**

Exemption of PF Dividend

Received February 2, 1990
by the Labor and Commerce Committee

Heard February 27, 1990

Passed Out of Committee February 27, 1990
5 Do Pass

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HOUSE COMMITTEE REPORT

(7)

Date Referred: February 2, 1990

FURTHER REFERRALS:

FINANCE

Date of Committee Action: _____

The STATE AFFAIRS Committee considered:

HB 467

HOUSE BILL NO. 467

EXEMPTION OF PF DIVIDEND

"An Act relating to the partial exemption of permanent fund dividends from remedies for the collection of debt; and providing for an effective date."

RECOMMENDATIONS:

- [] be replaced with _____ [] the same title
[] have attached amendment(s) [] a new title
[X] do pass
[] do not pass
[] no recommendation
[] individual recommendations
[] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):
(Dept)

APPROVES PREVIOUS:
(Date/Dept)

- [] fiscal impact _____
[X] zero fiscal note Rev
[] zero with analysis _____

- [] fiscal note(s) _____
[] zero fiscal note(s) _____
[] zero fn/analysis _____

SIGNING DO PASS:

SIGNING:
(Check approp. column)

Do Not
Pass
No Rec
Amend

David Duley
Don Hendry
David W.
Jim F.
Bob Baker

	Do Not Pass	No Rec	Amend

Bob Baker
Chairman's Signature

BY THE LABOR AND COMMERCE COMMITTEE

1 IN THE HOUSE

2

HOUSE BILL NO. 467

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the partial exemption of permanent fund dividends from remedies for the collection of debt; and providing for an effective date."

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

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* Section 1. AS 43.23.065(a) is amended to read:

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(a) Except as provided in (b) of this section, \$100 [50 PERCENT]

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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.

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* Sec. 2. This Act takes effect January 1, 1991.

FZLOUS TOO?

ENCOURAGE OKC

FISCAL NOTE

REQUEST

Revision Date: _____
Title: Partial exemption of permanent fund dividends from collection
Sponsor: Labor and Commerce Committee
Requestor: _____

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
SUPPLIES	-0-	-0-	-0-	-0-	-0-	-0-
EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
LANDS & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS	-0-	-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: None required.

Prepared By: Ervin Jones Phone: 465-2323
Division: Permanent Fund Dividend Division Date: February 23, 1990
Approved by Commissioner: Hugh Malone Date: 2/23/90
Agency: Revenue

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

Item 3

HOUSE LABOR AND COMMERCE COMMITTEE

ALASKA STATE LEGISLATURE

P.O. BOX V, JUNEAU 99811

(907) 465-3892



January 23, 1990

M E M O R A N D U M

To: Members, House Labor and Commerce Committee

From: Representative Dave Donley, Chair *DB*
House Labor and Commerce Committee

Re: Proposed Committee Legislation/Permanent Fund Dividends

Attached is proposed committee legislation reducing the amount of a permanent fund dividend check that is protected from debt collection.

Current law protects fifty percent of the annual permanent fund dividend from levy, execution, garnishment, attachment, or any other court ordered remedy for the collection of debts incurred by the individual except for child support, court ordered restitution to victims and loans owed to the state (i.e., student loans). Under the proposed bill only the first \$100 of each check will be protected, making the rest available for debt satisfaction, with the three exceptions listed above having first priority in any action to garnish or attach the checks.

The purpose of the bill is to increase the amount of money available to satisfy court ordered debts while leaving enough to the dividend recipient to act as an incentive for them to file for the annual check.

dd/gbs90
b/pfd

Item 3

HOUSE LABOR AND COMMERCE COMMITTEE

ALASKA STATE LEGISLATURE

P.O. BOX V, JUNEAU 99811

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ON OTHER HAND, PEOPLE WHO WANT
GETTING OFF - VICTIMS -

January 23, 1990

MEMORANDUM

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House Labor and Commerce Committee
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ENCOURAGE PEOPLE TO APPLY →

dd/gbs90
b/pfd

30,000 GARNISH =
20,000 UNPAID
10,000

Rev. comments - original leg call
FOR 100% - MODIFIED 50% -
INTENT - ENSURE ALL AFTER RECEIVING
SOME BENEFIT - CREDIT - CONFIDENCE
Dept Rec 50 THOUSAND GARNISHMENT
30,000 SUCCESSFUL

TAX BENEFIT - RECEIVE \$ TAX BENEFIT - ECONOMIC STABILIZE - DEPEND ON ECONOMIC STABILIZE - \$100 CARRY - DEPEND ON ECONOMIC STABILIZE