

H B

563

SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER CS HB 563 (SA) am

SPONSOR Boucher

BILL TITLE PFD Disclosures

DATE REFERRED 4.23.90

HEARING SCHEDULED 4.27.90

FISCAL NOTE PREPARED

SPONSOR CONTACTED ✓ 4963

INTERESTED PARTIES CONTACTED

· Revenue — 2300 Royce

OTHER

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

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

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

HB 563

House State Affairs

2/21/90

FISCAL NOTE

REQUEST

Revision Date: _____
Title: An Act relating to the amount
of the permanent fund dividend
Sponsor: State Affairs 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	22.0	-0-	-0-	-0-	-0-	-0-
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	10.0	10.0	10.0	10.0	10.0	10.0
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	32.0	10.0	10.0	10.0	10.0	10.0
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 (PFD)	32.0	10.0	10.0	10.0	10.0	10.0
TOTAL	32.0	10.0	10.0	10.0	10.0	10.0

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME	3	3	3	3	3	3
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS: See attached.

Prepared By: Ervin Jones
Division: Permanent Fund Dividend Division

Phone: 465-2323
Date: February 28, 1990

Approved by Commissioner: [Signature]
Agency: Revenue

Date: 2/28/90

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 563
February 28, 1990

1. Positions

	<u>FY 91</u>	<u>FY 92</u>
3 PPT Document Processor IIs, R8 @ \$2,446.08/Mo including salary and benefits for 3 months	= \$22.0	\$0.0

This position is to answer increased
phone calls and letters regarding
the special notice

2. Other Expenditures:

a) <u>Travel:</u>	\$0.0	\$0.0
-------------------	-------	-------

b) <u>Contractual:</u>		
Estimated cost to print and fold 525,000 flyers	= \$10.0	\$10.0

c) <u>Supplies:</u>	\$0.0	\$0.0
---------------------	-------	-------

d) <u>Equipment:</u>	\$0.0	\$0.0
----------------------	-------	-------

Total Cost	\$32.0	10.0
------------	--------	------

Analysis:

Assuming the number of appropriations from the dividend fund, including administrative costs and hold harmless costs, stays under four, they can be identified on the face of the stub. A brief legislative history and purpose can be printed (in very small print) on the back. If more than four appropriations occur or if a more in-depth explanation is required, we will possibly have to go to a flyer insert, resulting in the noted contractual costs.

Regarding the one time requirement to insert an explanation of the 1989 appropriations in with the 1990 dividend, it is the considered opinion of this department that this action will create confusion in the public as to which year the deductions are for, etc., and will result in thousands of additional contacts. The additional staff is the estimated incremental cost of handling these usually irate and/or confused contacts.

CS HB 563, PFD Disclosure bill.

TO TESTIFY;

Representative Boucher
Jim Kelly

TITLE CHANGE; Due to dropping garnishment language. Resolution in packet

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

714 PFD
STEVE COWPER, GOVERNOR

P.O. BOX 5
JUNEAU, ALASKA 99811-0400
PHONE: (907) 465-2300
TELEFAX: (907) 465-2389

February 5, 1990

The Honorable Dave Donley
Alaska State House
P.O. Box V
Juneau, AK 99811

Dear Representative Donley:

I am sending you this letter as promised during our telephone conversation of January 24, 1990.

After consideration, I decided not to place any discussion of the 1989 deductions in the 1990 dividend application booklet.

My main reasons for the conclusion are that, first, the 1990 dividend booklet should focus on the changes in the eligibility law, mainly the new two year residency requirement, which people need to understand. My second main reason is that dragging up old information from 1989 will only confuse people even more, since people may believe that now we are talking about repeating the 1989 deductions again in 1990. If people get that notion, things would be even more confusing. In fact, I would recommend against trying to explain 1989, and concentrate on avoiding this type of situation happening again.

The information on the check stubs accurately reflected the amounts that the legislature appropriated from the dividend fund. The two new appropriations were shown as a deduction per check.

This is the same way that the law requires the cost of the dividend program and the hold harmless program to be shown. The description of the uses of the money was taken directly from the Legislative Finance Division "short-form" publication of the state operating budget.

I believe that this did give Alaskans adequate information on where their dividend money was going. I believe the phone calls that you received were from people who knew where their money was going, but did not want the Legislature to use their dividend money for these programs -- at least, that is what the Commission of the Future of the Permanent Fund heard during a dozen hearings this year.

I am sure that you agree with me that Alaskans do have a right to know where their dividend money is going.

The Honorable Dave Donley
February 5, 1990
Page 2

On a positive note, I commend your efforts and those of your colleagues in remedying the problem through the adoption of HB 255. HB 255 will solve the problem. Early action on HB 255 will mean that the dividend of felons could be used to pay proper costs instead of paying them over to the felons, while making sure that other peoples' dividends are not affected.

Sincerely,



Hugh Malone
Commissioner

HM:m11

Enclosures: Donley Letter of 1/19/90 and 1989 PFD check stub

90-14

cc: Governor Cowper
Bob Evans
Garrey Peska
All Legislators

Pat - thought I'd try
to help w/ answer but
I can't find a bill
like Kelly's describing.
I did recall this
letter tho'. Will it
help?

D.

REPRESENTATIVE DAVE DONLEY

ALASKA STATE LEGISLATURE
DISTRICT ELEVEN • SPENARD
SEAT A

3111 "C" STREET, SUITE 450
ANCHORAGE, ALASKA 99503
(907) 561-7629 (FAX) 562-4376



ALASKA LANDING • WESTERN • TIGARD • CHESTER CREEK • HEATHER MEADOWS • INWOOD PARK • MIDTOWN • NORTHSTAR
NORTHWOOD • RAINY • ROOSEVELT PARK • SPENARD • THOMPSON • TURNAGAN • WINNIPIK • WOODLAND PARK

CHAIRMAN
LABOR AND COMMERCE COMMITTEE

VICE CHAIRMAN
ANCHORAGE CAUCUS

MEMBER
RULES COMMITTEE
STATE AFFAIRS COMMITTEE

January 19, 1990

Commissioner Hugh Malone
Department of Revenue
P.O. Box S (MS0400)
Juneau, Alaska 99811

? Insert

Dear Commissioner Malone:

As a followup to our conversation in December, I am writing to request a written response outlining the Department's position on my request that a full explanation of the "deductions" listed on the 1989 dividend check stubs be printed on the front page of the 1990 dividend application form.

This year Legislative offices received hundreds of phone calls from irate constituents who had first become aware of "deductions" from their dividend check through the listing on the check stub. This listing did not adequately explain the "deductions", nor did it indicate that two of them had been with the program virtually since its' inception. Instead, Alaskans were left with the impression that the legislature took some devious action last session that reduced the amount of their dividend checks.

This impression could have been avoided had Alaskans been given adequate information with their dividend checks about these "deductions". The best way to provide this information now is for the Department to instruct the Division to provide this information on the 1990 dividend application form. I hope legislation will not be needed to ensure this action.

Please respond indicating whether the Department will implement this suggestion or, if not, your reasons for declining to do so. In either case, your written response should be received in my office no later than February 7 so that I can pursue any necessary legislation in a timely manner.

I look forward to your earliest possible response.

Sincerely,

Representative Dave Donley

cc: Governor Cowper
Bob Evans
Gary Peska
All Legislators

dd/gbs90
c/pfd

RECEIVED
ALASKA DEPARTMENT OF REVENUE
JAN 22 1990
COMMISSIONER'S OFFICE



JUNEAU OFFICE
(During Legislative Session January through May)
P.O. BOX V, JUNEAU, ALASKA 99811 • (907) 465-3892 (FAX) 463-5661



NON NEGOTIABLE

No. 52482937

PAYER'S NAME STATE OF ALASKA 1989 PERMANENT FUND DIVIDEND \$ 873.16
FEDERAL ID NO. 92-6001185

DATE 10/05/89 BATCH 00016
VOUCHER 476776 DLN 90002861 WARRANT AMOUNT \$ 873.16

APPLICANT'S SSN 574-16-9170

APPLICANT'S NAME AND ADDRESS

JAMES H MALONE
2517 DAVID STREET
JUNEAU AK 99801

REDUCTIONS PER DIVIDEND CHECK:
COSTS OF ADMINISTERING DIVIDEND PROGRAM \$ 6.83 (DEPT. OF REVENUE)
HOLD HARMLESS FOR LOST FEDERAL BENEFITS \$22.72 (DEPT. OF H&SS)
GATE MONEY AND SEX OFFENDER TREATMENT \$ 1.47 (DEPT. OF CORRECTIONS)
VIOLENT CRIMES COMPENSATION BOARD \$ 1.42 (DEPT. OF PUBLIC SAFETY)

IMPORTANT - This stub contains important tax and other information (see back).

WHILE YOU WERE OUT	TO	Pat	3796	9:25									
	FROM	Sen Kelly	CODE	NUMBER									
	OF		EXTENSION										
	MESSAGE	wants to know status of bill which takes deductions off PFD stubs. Called from home. Will call again when he gets to Capitol											
URGENT	<input type="checkbox"/>	RETURNED CALL	<input type="checkbox"/>	CALL BACK	<input type="checkbox"/>	WILL CALL AGAIN	<input checked="" type="checkbox"/>	PHONE'D	<input checked="" type="checkbox"/>	WANTS TO SEE YOU	<input type="checkbox"/>	WAS HE	<input type="checkbox"/>

AMPAD NO. 23-176-400 SETS NO. 23-276-200 SETS



Alaska State Legislature

House of Representatives
COMMITTEE ON STATE AFFAIRS

MEMORANDUM

TO: Senate State Affairs Committee Members

FROM: Representative H.A. "Red" Boucher, Chair
House State Affairs Committee

DATE: April 27, 1990

RE: CSHB 563(SA) am

CSSB 346(SA), sponsored by Senator Jim Duncan, is similar to CSHB 563(SA). Senator Duncan agreed that the House version should be advanced, and requested that language from CSSB 346 (SA) regarding disclosure of sources and amounts of appropriations from which the dividend is derived be incorporated into the House State Affairs bill. CSHB 563(SA) was amended on the House floor to include that language (see Section 2).

CSHB 563(SA) am

The following provides a sectional analysis of CSHB 563(SA) am:

Section 1: Describes how the value of each Permanent Fund dividend will be calculated each year.

Page 2, lines 6-9, (E) clarifies current practice; that is, the dividend amount is based on the net balance of the dividend fund once deductions are made for hold harmless, administrative costs, or other listed deductions.

Section 2: (House Floor Amendment) Discloses the amount and source of appropriations from which the dividend is derived from, and discloses all deductions which affect the dividend amount. Each stub would show:

(1) appropriations mandated by the constitution;

(2) special appropriations made by the legislature including inflation-proofing; and

(3) all deductions including administration and hold harmless costs.

Subparagraph (b) states that additional information explaining deductions would be enclosed with the dividend check. For example, deductions for the sex offender treatment program would be fully explained on a flyer enclosed with the check.

Section 3: (House Floor Amendment) \$100 is exempt from debt collection before and after payment is made. Exception is made for child support obligations, court ordered restitution, or debt owed the state.

Section 4: This is a **temporary law** which requires the commissioner of the Department of Revenue to prepare an explanation of itemized deductions contained on the 1989 check stub. **This explanation would be included with the 1990 check, but not printed on the stub.**

Contingent upon an appropriation (HB 511) or a court decision which reimburses the dividend fund for 1989 deductions (Violent Crimes Compensation Board, sex offender treatment program, prisoner gate money), this temporary law requires that the added money be shown as a credit on the 1990 dividend check stub.

Section 5: Effective date for Sections 1, 2, and 4 requires disclosure on 1990 dividend stub, and all subsequent dividend stubs.

Section 6: Section 6 takes effect on January 1, 1991.

h 99 SLA

(d) was cor-
r.
rts. — For
related to
ction by ch.
n am), see

ent shall
end fund;
Act (AS
a perma-
for appli-
f eligible
the divi-
are paid

Act (AS
individual
rmanent
parent,
behalf of

as, who
nsporta-
rmanent

t of Cor-
or a per-

ent AS
n § 3 ch

ish under

ie Admin-
2) that es-
imits for
end or for
e depart-

ment shall set the time limit for applica-
tions for permanent fund dividends so
that the number of eligible applicants is
determined by October 1 of the year for
which the dividend is declared and perma-
nent fund dividends for a year are paid
before April 30 of the year following that
year;

"(3) adopt regulations under the Admin-
istrative Procedure Act (AS 44.62) that es-
tablish procedures and time limits for an
individual upon emancipation or upon
reaching majority to apply for permanent
fund dividends not credited or received
during minority because the parent,
guardian, or other authorized representa-
tive did not apply on behalf of the individ-
ual;

"(4) assist residents of the state, partic-
ularly in rural areas, who because of lan-
guage, disability, or inaccessibility to pub-

lic transportation need assistance to es-
tablish eligibility and to apply for perma-
nent fund dividends; and

"(5) provide the commissioner of admin-
istration with information necessary to
maintain individual annuity account
records and administer the annuity pro-
gram."

Effect of amendments. — The 1984
amendment substituted "October" for
"December" in paragraph (2).

The 1988 amendment, effective May 26,
1988, deleted "and" at the end of para-
graph (3), and added paragraphs (5) and
(6).

Editor's notes. — Section 4, ch. 54,
SLA 1988 provides that the amendments
made to this section by ch. 54, SLA 1988
apply "only to eligibility for permanent
fund dividends for years after 1988."

Sec. 43.23.065. Exemption of permanent fund dividends.

(a) Except as provided in (b) of this section, 50 percent 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.

(b) An exemption is not available under this section for permanent fund dividends taken to satisfy

(1) child support obligations required by court order or decision of the child support enforcement agency under AS 47.23.140 — 47.23.220;

(2) court ordered restitution under AS 12.55.045 — 12.55.051 or 12.55.100; or

(3) a debt owed by an eligible individual to an agency of the state, unless the debt is contested and an appeal is pending, or the time limit for filing an appeal has not expired.

(c) Claims listed in (b) of this section have priority in the order listed over other claims on a permanent fund dividend. (§ 1 ch 102 SLA 1982; am § 1 ch 157 SLA 1984; am § 1 ch 57 SLA 1985; am § 67 ch 138 SLA 1986; am § 3 ch 26 SLA 1989)

Revisor's notes. — Sections 12 and 13, ch. 99, SLA 1985, amend this section and add new (b) and (c). The amendments are effective if § 1, ch. 99, SLA 1985 is repealed (see § 25, ch. 99, SLA 1985). If the amendments become law, the section will read: "(a) Fifty percent of a cash permanent fund dividend payment is exempt from levy, execution, garnishment, attachment, or any other remedy for the col-

lection of debt. This exemption applies to an eligible individual's permanent fund dividend both before and after payment is made to the individual. An exemption is not available under this section for cash permanent fund dividend payments taken to satisfy (1) child support obligations required by court order or decision of the child support enforcement agency under AS 47.23.140 — 47.23.220; (2) a debt owed

by an eligible individual to an agency of the state, unless the debt is contested and an appeal is pending, or the time limit for filing an appeal has not expired; or (3) court ordered restitution under AS 12.55.045 — 12.55.051 or 12.55.100. A child support obligation under (1) of this section has priority over a debt owed to an agency of the state, and a permanent fund dividend may not be taken to satisfy a debt under (2) of this section until any portion of the dividend necessary to satisfy a child support obligation has been taken.

"(b) The department shall require an individual to take 100 percent of the permanent fund dividend in cash if the department receives a levy, execution, garnishment, attachment or other legal remedy for the collection of a past due debt described in (a)(1) or (2) of this section.

"(c) The courts of this state may, as a condition of any civil judgment or restitution order under AS 12.55.045 — 12.55.051 or 12.55.100, require the defendant to take the defendant's permanent fund dividend in cash."

Effect of amendments. — The 1984 amendment added the last sentence and, in the next-to-last sentence, substituted "An exemption is not" for "No exemption is," inserted "(1)," and added the language

beginning with "(2) a debt" at the end of the sentence. Section 2, ch. 157, SLA 1984 limits the application of the 1984 amendment to dividends issued for 1984 and subsequent years.

The first 1985 amendment added "or (3) court ordered restitution under AS 12.55.045 — 12.55.051 or 12.55.100" at the end of the next-to-last sentence and in the last sentence inserted "or court ordered restitution" and "and court ordered restitution."

The second 1985 amendment, effective if § 1, ch. 99, SLA 1985 is repealed, rewrote subsection (a) and added subsections (b) and (c).

The 1986 amendment rewrote this section.

The 1989 amendment, effective May 12, 1989, repealed former paragraph (b)(3), relating to the court ordered probation fee, and redesignated former paragraph (b)(4) as present (b)(3).

Editor's notes. — Section 5, ch. 26, SLA 1989 provides that the amendments to (b) of this section by § 3, ch. 26, SLA 1989 "do not affect the collection of probation fee payments ordered by a court under AS 12.55.105, repealed by § 4 of this Act, after June 30, 1986, and before May 12, 1989."

Sec. 43.23.067. Claims of defaulted scholarship loans. (a) AS 09.38 does not apply to permanent fund dividends taken under AS 14.43.120(i). Notwithstanding AS 09.35, execution on a claim under AS 14.43.120(i) is accomplished by delivering a certified claim to the department containing the following information:

(1) the name and social security number of the individual whose dividend is being claimed;

(2) the amount the individual owes on the scholarship loan; and

(3) a statement that

(A) the debt has not been contested, or, if contested, that the issue has been resolved in favor of the Alaska Commission on Postsecondary Education; and

(B) if the debt has been contested and resolved in favor of the Alaska Commission on Postsecondary Education, no appeal is pending, the time limit for filing an appeal has expired, or the appeal has been resolved in favor of the commission.

(b) Upon receipt of a claim under (a) of this section the department shall notify the individual of the claim. The notice shall be sent to the address provided in the individual's permanent fund dividend application and must provide the following information:

(1) the amount of the claim; and



Representative H.A. "Red" Boucher

Chairman House Committee on State Affairs • Special Committee on Telecommunications
Member Labor & Commerce Committee • Chairman Commission on the Future of the Permanent Fund

MEMORANDUM

From: H.A. 'Red' Boucher, Chairman
To: House State Affairs Committee Members
Date: February 21, 1990
Subject: Proposed legislation requiring disclosure of deductions from Permanent Fund Income.

The Commission on the Future of the Permanent Fund's Final Report recommended that, **"All uses of the earnings of the Fund should be shown on the dividend check stub by listing the total amount of each use"**.

I introduced HB 563 as State Affairs Committee legislation in order to implement the above recommendation of the Commission. This bill will require the Commissioner of Revenue to disclose all expenditures from income. That includes any amount of the annual income that is not used to pay dividends.

Current disclosure laws require that public notice be given for costs and deductions from the Dividend Fund after the income has been transferred to that account. Disclosure of deductions prior to the transfer is not required. For example, in 1989 the Department of Law received \$3.5 Million for state litigation prior to the income being transferred to the Dividend Fund. This deduction was not disclosed on the attached check stub. HB 563 will expand disclosure requirements to include all deductions from income during the previous fiscal year for any purpose including the deduction for the Department of Law.

The Commission found that the people of Alaska were adamant about being informed of any deductions from the dividend program. Full disclosure of all deductions will be an important step in restoring the public's confidence in the process.

I urge you to support HB 563 as the best method of keeping the public informed about deductions from the dividend program.

NON NEGOTIABLE

No.

PAYER'S NAME STATE OF ALASKA 1989 PERMANENT FUND DIVIDEND \$ 873.16
FEDERAL ID NO. 92-6001185

DATE 10/05/89 BATCH WARRANT AMOUNT \$ 873.16
VOUCHER DLN

APPLICANT'S SSN

APPLICANT'S NAME AND ADDRESS

JUNEAU AK 99801

REDUCTIONS PER DIVIDEND CHECK:

COSTS OF ADMINISTERING DIVIDEND PROGRAM	\$ 6.83 (DEPT. OF REVENUE)
HOLD HARMLESS FOR LOST FEDERAL BENEFITS	\$22.72 (DEPT. OF H&SS)
GATE MONEY AND SEX OFFENDER TREATMENT	\$ 1.47 (DEPT. OF CORRECTIONS)
VIOLENT CRIMES COMPENSATION BOARD	\$ 1.42 (DEPT. OF PUBLIC SAFETY)

IMPORTANT - This stub contains important tax and other information (see back).

SENATE COMMITTEE REPORT

DATE: 4/23/90

FURTHER:

DATE TURNED INTO OFFICE: _____

State Affairs

Committee considered CSHB 563 (SA) am

"An Act relating to the amount of a permanent fund dividend, to information regarding the value of dividends, and to the partial exemption of dividends from remedies for the collection of debt; and providing for an effective date."

and recommended:

replace with S CS CS HR 563 (SA)
 or adopt _____ CS _____

same title
 new title
 technical
title change
(HB only)

attached amendment(s) Sen SA letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):

APPROVES PREVIOUS:

fiscal note(s) PF 22840
Dept/Date: _____

fiscal note(s) _____
Dept/Date: _____

zero fiscal note(s) _____

zero fiscal note(s) _____

appropriation-no fiscal note

Governor's bill w/fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]
Chair: Signature and Recommendation

Alaska State Legislature

Sen. Pat Pourchot, Chairman

Sen. Jan Faiks, Vice Chairman

Sen. Al Adams

Sen. Tim Kelly

Sen. Rick Uehling



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

907-465-3712

Senate State Affairs Committee

MEMORANDUM

TO: Senate State Affairs Committee Members

FROM: Senator Pat Pourchot

RE: Wednesday, April 4 Committee Hearing

DATE: April 3, 1990

On Wednesday, April 4 at 1:30 p.m. in the Beltz Room the Senate State Affairs Committee will hear the following bills:
TELECONFERENCE; Anchorage, Mat-Su, Petersburg, Fairbanks, Delta Junction

SB 537, Longevity Bonus Program, efd. SB 537 would phase out the Longevity Bonus Program over a 10-year period. Contrary to previous "stair-stepping" proposals, this bill would "grandfather" a recipient into the program at the amount of the bonus payment for the year in which he/she qualifies. Persons currently receiving \$250 per month would continue to do so for as long as they remain in Alaska.

SCR 52, relating to the leasing of space by the state. Sponsored by Senator Rodey, the resolution encourages state agencies to avoid leasing practices that would cause the construction of substandard commercial structures, practices that are referred to as the "capital lease process" and/or the "design, build, lease back process". In the capital lease process, leases are awarded to the lowest bidder, with no mechanism in place to ensure that facilities are economical to operate and maintain or are responsive to the needs of the agency or the communities. The Committee Substitute passed by House Finance is included in your packet. Senator Rodey requests that the committee consider revising SCR 52 to be identical to CS HCR 52. The CS would establish a State Lease Task Force to study the problems with the Capital Lease process and to submit its findings and recommendations to the governor and legislature by 1/21/91.

SB 399, An Act approving leases of office space by the Department of Administration; and providing for an effective date. This bill would approve the leases of office space, each of which may which may exceed \$1 million in rent, for the following buildings: Juneau: Goldbelt Building, Anchorage: Labor Offices at 33rd Street/Eagle Street and the Law Offices in the Peterson Towers (near the Court Building.)

SB 346, An Act relating to public notice regarding the value of permanent fund dividends; and providing for an effective date. In your packet is the proposed CS, which contains the original language of SB 346, requiring the

Commissioner of Revenue to disclose on Permanent Fund Dividend check stubs the amount of dividends as the result of constitutionally mandated deposits and the amount attributable to legislative appropriations and additional language that requires all deductions from the Dividend Fund be listed on the check stub. A letter of intent would accompany this bill clarifying that all deductions from earnings, i.e. administration costs, oil litigation fees and inflation-proofing amounts be included in the Permanent Fund brochure that is mailed with the PFD checks.

Amended: 4/20/90
Offered: 3/7/90
Referred: Finance

6-2149H

Tam Cooke

Between SB 346
and this House version

Original sponsor(s): State Affairs Committee

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR HOUSE BILL NO. 563 (State Affairs) am
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 amount of a permanent fund
7 dividend, to information regarding the value of
8 dividends, and to the partial exemption of dividends
9 from remedies for the collection of debt; and
10 providing for an effective date."

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

12 * Section 1. AS 43.23.025(a) is amended to read:

13 (a) By October 1 of each year the commissioner [SHALL GIVE
14 PUBLIC NOTICE OF THE VALUE OF EACH PERMANENT FUND DIVIDEND FOR THAT
15 YEAR. THE PUBLIC NOTICE SHALL CONTAIN A STATEMENT DISCLOSING THE
16 AMOUNT BY WHICH EACH INDIVIDUAL DIVIDEND HAS BEEN REDUCED IN ORDER TO
17 PAY THE COSTS OF ADMINISTERING THE PROGRAM AND THE HOLD HARMLESS
18 PROVISIONS OF AS 43.23.075. THE COMMISSIONER SHALL ALSO INCLUDE THE
19 STATEMENT ON THE STUB ATTACHED TO EACH INDIVIDUAL DIVIDEND CHECK. THE
20 COMMISSIONER] shall determine the value of each [A] permanent fund
21 dividend for that year by

22 (i) determining the total amount available for dividend
23 payments, which equals

24 (A) the amount of income of the Alaska permanent fund
25 transferred to the dividend fund under AS 43.23.045(b) during the
26 current year;

27 (B) plus the unexpended and unobligated balances of
28 prior fiscal year appropriations that lapse into the dividend
29 fund under AS 43.23.045(d);

1 (C) less the amount necessary to pay dividends from
2 the dividend fund in the current year under AS 43.23.055(3);

3 (D) less the amount necessary to pay dividends from
4 the dividend fund due to eligible applicants who, as determined
5 by the department, filed for a previous year's dividend by the
6 filing deadline but who were not included in a previous year's
7 dividend computation;

8 (E) less appropriations from the dividend fund during
9 the current year, including amounts to pay costs of administering
10 the dividend program and the hold harmless provisions of AS 43.-
11 23.075;

12 (2) determining the number of individuals eligible to
13 receive a dividend payment for the current year; and

14 (3) dividing the amount determined under (1) of this sec-
15 tion by the amount determined under (2) of this section.

16 * Sec. 2. AS 43.23 is amended by adding a new section to read:

17 Sec. 43.23.028. PUBLIC NOTICE. (a) By October 1 of each year the
18 commissioner shall give public notice of the value of each permanent
19 fund dividend for that year. The notice and the stub attached to each
20 individual dividend check must disclose the amount

21 (1) of each dividend attributable to income earned by the
22 permanent fund from deposits to that fund required under art. IX, sec.
23 15, Constitution of the State of Alaska;

24 (2) of each dividend attributable to income earned by the
25 permanent fund from appropriations to that fund and from amounts added
26 to that fund to offset the effects of inflation; and

27 (3) by which each dividend has been reduced due to each
28 appropriation from the dividend fund, including amounts to pay the
29 costs of administering the dividend program and the hold harmless

1 provisions of AS 43.23.075.

2 (b) Additional information fully explaining the legislative
3 history and purpose of each appropriation from the dividend fund shall
4 be provided with each dividend check.]

5 * Sec. 3. AS 43.23.065(a) is amended to read:

6 (a) Except as provided in (b) of this section, \$100 [50 PERCENT]
7 of the annual permanent fund dividend payable to an individual is
8 exempt from levy, execution, garnishment, attachment, or any other
9 remedy for the collection of debt. This exemption applies to an
10 eligible individual's permanent fund dividend both before and after
11 payment is made to the individual.]

12 * Sec. 4. [The commissioner of revenue shall include with each permanent
13 fund dividend check for 1990 information explaining the legislative history
14 and purpose of appropriations from the dividend fund that reduced dividends
15 for 1989.] *for DPS and Dept. of Corrections* If money is made available, through appropriation or a decision
16 of the court upholding the constitutionality of AS 43.23.005(d), to reim-
17 burse the dividend fund for amounts by which the 1989 dividend was reduced,
18 the commissioner shall include on the stub attached to each dividend check
19 for 1990 a statement of the amount by which the check is increased due to *which reads, this check represents an additional \$ _____*
20 the reimbursement. *to compensate for deductions from 1989 P.F. dividend for Dept. of Corrections and Dept. of Public Safety programs.*

21 * Sec. 5. Sections 1, 2, and 4 of this Act take effect immediately
22 under AS 01.10.070(c).

23 * Sec. 6. Section 3 of this Act takes effect January 1, 1991.]



Alaska State Legislature

House of Representatives
COMMITTEE ON STATE AFFAIRS

LETTER OF INTENT
TO ACCOMPANY
CS HB 563 (SA)

February 28, 1990

It is the intent of the **House State Affairs Committee** that all deductions from the earnings of the Permanent Fund be disclosed to the public in accordance with the recommendations contained in the Final Report of the **Commission on the Future of the Permanent Fund**. Section 1 would require that all appropriations from the Dividend Fund be listed on the dividend check stub.

It is the intent that all additional deductions from earnings be disclosed in a form other than on the check stub realizing that there is insufficient space on the check stub to list all expenditures paid from annual earnings. Those disclosures should include, 1) the Permanent Fund Corporation's operating budget, 2) the annual reinvestment of earnings to off-set the effects of inflation, 3) the \$3.5 million appropriated to the Department of Law and 4) any other deductions from the Earnings Reserve Account, the Dividend Fund or earnings of the Permanent Fund that is not otherwise listed on the check stub.

Therefore, the House State Affairs Committee endorses the current Corporation practice of including an informational flyer with the dividend check, and encourages the expansion of this flyer to include information which explains the amount and purpose of each deductions during the prior year.

Rep. H. A. "Red" Boucher, Chairman

Alaska State Legislature

Sen. Pat Pourchot, Chairman

Sen. Jan Faiks, Vice Chairman
Sen. Al Adams
Sen. Tim Kelly
Sen. Rick Uehling



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

907-465-3712

Senate State Affairs Committee

LETTER OF INTENT TO ACCOMPANY S CS HB 563 (SA)

It is the intent of the Senate State Affairs Committee that all deductions from the earnings of the Permanent Fund be disclosed to the public. SCS HB 563 requires that all appropriations from the Dividend Fund be listed on the dividend check stub. The amount of dividends as the result of constitutionally mandated deposits and the amount attributable to legislative appropriations shall also appear on the dividend check stub.

It is the intent that all additional deductions from earnings be disclosed in a form other than on the check stub realizing that there is insufficient space on the check stub to list all expenditures paid from annual earnings. Those disclosures shall include 1) the Permanent Fund Corporation's operating budget, 2) the annual reinvestment of earnings to off-set the effects of inflation, 3) the appropriations to the Department of Law for legal fees for oil tax litigation and 4) any other deductions from the Earnings Reserve Account or earnings of the Permanent Fund.

It is the intent of the legislature that the current Corporation practice of including an informational brochure with the dividend check be continued and that the brochure include information which explains the amount and purpose of all deductions from the Permanent Fund Corporation earnings.

Senator Pat Pourchot, Chairman

April 27, 1990

Alaska State Legislature

Sen. Pat Pourchot, Chairman

Sen. Jan Faika, Vice Chairman
Sen. Al Adams
Sen. Tim Kelly
Sen. Rick Uehling



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

907-165-3712

Senate State Affairs Committee

LETTER OF INTENT TO ACCOMPANY CS SB 346 (SA)

It is the intent of the Senate State Affairs Committee that all deductions from the earnings of the Permanent Fund be disclosed to the public. CS SB 346 requires that all appropriations from the Dividend Fund be listed on the dividend check stub. The amount of dividends as the result of constitutionally mandated deposits and the amount attributable to legislative appropriations shall also appear on the dividend check stub.

It is the intent that all additional deductions from earnings be disclosed in a form other than on the check stub realizing that there is insufficient space on the check stub to list all expenditures paid from annual earnings. Those disclosures shall include 1) the Permanent Fund Corporation's operating budget, 2) the annual reinvestment of earnings to off-set the effects of inflation, 3) the appropriations to the Department of Law for legal fees for oil tax litigation and 4) any other deductions from the Earnings Reserve Account or earnings of the Permanent Fund.

It is the intent of the legislature that the current Corporation practice of including an informational brochure with the dividend check be continued and that the brochure include information which explains the amount and purpose of all deductions from the Permanent Fund Corporation earnings.

Senator Pat Pourchot, Chairman

SEE CHANGES
ON CSHB 563 -

6-2149M

Cook
4/26/90

Original sponsor(s): State Affairs Committee

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 563 (State Affairs)

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 amount of a permanent fund
7 dividend, to information regarding the value of
8 dividends; and providing for an effective date."

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

10 * Section 1. AS 43.23.025(a) is amended to read:

11 (a) By October 1 of each year the commissioner [SHALL GIVE
12 PUBLIC NOTICE OF THE VALUE OF EACH PERMANENT FUND DIVIDEND FOR THAT
13 YEAR. THE PUBLIC NOTICE SHALL CONTAIN A STATEMENT DISCLOSING THE
14 AMOUNT BY WHICH EACH INDIVIDUAL DIVIDEND HAS BEEN REDUCED IN ORDER TO
15 PAY THE COSTS OF ADMINISTERING THE PROGRAM AND THE HOLD HARMLESS
16 PROVISIONS OF AS 43.23.075. THE COMMISSIONER SHALL ALSO INCLUDE THE
17 STATEMENT ON THE STUB ATTACHED TO EACH INDIVIDUAL DIVIDEND CHECK. THE
18 COMMISSIONER] shall determine the value of each [A] permanent fund
19 dividend for that year by

20 (1) determining the total amount available for dividend
21 payments, which equals

22 (A) the amount of income of the Alaska permanent fund
23 transferred to the dividend fund under AS 43.23.045(b) during the
24 current year;

25 (B) plus the unexpended and unobligated balances of
26 prior fiscal year appropriations that lapse into the dividend
27 fund under AS 43.23.045(d);

28 (C) less the amount necessary to pay dividends from
29 the dividend fund in the current year under AS 43.23.055(3);

1 (D) less the amount necessary to pay dividends from
2 the dividend fund due to eligible applicants who, as determined
3 by the department, filed for a previous year's dividend by the
4 filing deadline but who were not included in a previous year's
5 dividend computation;

6 (E) less appropriations from the dividend fund during
7 the current year, including amounts to pay costs of administering
8 the dividend program and the hold harmless provisions of AS 43.-
9 23.075;

10 (2) determining the number of individuals eligible to
11 receive a dividend payment for the current year; and

12 (3) dividing the amount determined under (1) of this sec-
13 tion by the amount determined under (2) of this section.

14 * Sec. 2. AS 43.23 is amended by adding a new section to read:

15 Sec. 43.23.028. PUBLIC NOTICE. By October 1 of each year the commis-
16 sioner shall give public notice of the value of each permanent fund
17 dividend for that year. The notice and the stub attached to each
18 individual dividend check must disclose the amount

19 (1) of each dividend attributable to income earned by the
20 permanent fund from deposits to that fund required under art. IX, sec.
21 15, Constitution of the State of Alaska;

22 (2) of each dividend attributable to income earned by the
23 permanent fund from appropriations to that fund and from amounts added
24 to that fund to offset the effects of inflation; and

25 (3) by which each dividend has been reduced due to each
26 appropriation from the dividend fund, including amounts to pay the
27 costs of administering the dividend program and the hold harmless
28 provisions of AS 43.23.075.

29 * Sec. 3. The commissioner of revenue shall include with each permanent

1 fund dividend check for 1990 information explaining the legislative history
2 and purpose of appropriations from the dividend fund for Department of
3 Corrections and Department of Public Safety programs that reduced dividends
4 for 1989. If money is made available, through appropriation or a decision
5 of the court upholding the constitutionality of AS 43.23.005(d), to reir-
6 burse the dividend fund for amounts by which the 1989 dividend was reduced.
7 the commissioner shall include on the stub attached to each dividend check
8 for 1990 a statement of the amount by which the check is increased due to
9 the reimbursement.

10 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c).
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
29

6-2446A
Cook
4/26/90

BY THE STATE AFFAIRS COMMITTEE

1 IN THE SENATE

2 SENATE CONCURRENT RESOLUTION NO.
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 Suspending Uniform Rules 41(b), 24(c),
6 and 35 of the Alaska State Legislature
7 concerning HB 563.

8 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 That under Rule 54 of the Uniform Rules of the Alaska State Legisla-
10 ture the provisions of Rule 41(b), Rule 24(c), and Rule 35 of the Uniform
11 Rules, regarding changes to the title of a bill, are suspended in consid-
12 eration of House Bill No. 563, relating to the amount of permanent fund
13 dividends, to information regarding the value of dividends, and to the
14 partial exemption of dividends for the collection of debt.

Original sponsor(s): State Affairs Committee

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 563 (State Affairs)

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 amount of a permanent fund
7 dividend, to information regarding the value of
8 dividends; and providing for an effective date."

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

10 * Section 1. AS 43.23.025(a) is amended to read:

11 (a) By October 1 of each year the commissioner [SHALL GIVE
12 PUBLIC NOTICE OF THE VALUE OF EACH PERMANENT FUND DIVIDEND FOR THAT
13 YEAR. THE PUBLIC NOTICE SHALL CONTAIN A STATEMENT DISCLOSING THE
14 AMOUNT BY WHICH EACH INDIVIDUAL DIVIDEND HAS BEEN REDUCED IN ORDER TO
15 PAY THE COSTS OF ADMINISTERING THE PROGRAM AND THE HOLD HARMLESS
16 PROVISIONS OF AS 43.23.075. THE COMMISSIONER SHALL ALSO INCLUDE THE
17 STATEMENT ON THE STUB ATTACHED TO EACH INDIVIDUAL DIVIDEND CHECK. THE
18 COMMISSIONER] shall determine the value of each [A] permanent fund
19 dividend for that year by

20 (1) determining the total amount available for dividend
21 payments, which equals

22 (A) the amount of income of the Alaska permanent fund
23 transferred to the dividend fund under AS 43.23.045(b) during the
24 current year;

25 (B) plus the unexpended and unobligated balances of
26 prior fiscal year appropriations that lapse into the dividend
27 fund under AS 43.23.045(d);

28 (C) less the amount necessary to pay dividends from
29 the dividend fund in the current year under AS 43.23.055(3);

1 (D) less the amount necessary to pay dividends from
2 the dividend fund due to eligible applicants who, as determined
3 by the department, filed for a previous year's dividend by the
4 filing deadline but who were not included in a previous year's
5 dividend computation;

6 (E) less appropriations from the dividend fund during
7 the current year, including amounts to pay costs of administering
8 the dividend program and the hold harmless provisions of AS 43.-
9 23.075;

10 (2) determining the number of individuals eligible to
11 receive a dividend payment for the current year; and

12 (3) dividing the amount determined under (1) of this sec-
13 tion by the amount determined under (2) of this section.

14 * Sec. 2. AS 43.23 is amended by adding a new section to read:

15 Sec. 43.23.028. PUBLIC NOTICE. By October 1 of each year the commis-
16 sioner shall give public notice of the value of each permanent fund
17 dividend for that year. The notice and the stub attached to each
18 individual dividend check must disclose the amount

19 (1) of each dividend attributable to income earned by the
20 permanent fund from deposits to that fund required under art. IX, sec.
21 15, Constitution of the State of Alaska;

22 (2) of each dividend attributable to income earned by the
23 permanent fund from appropriations to that fund and from amounts added
24 to that fund to offset the effects of inflation; and

25 (3) by which each dividend has been reduced due to each
26 appropriation from the dividend fund, including amounts to pay the
27 costs of administering the dividend program and the hold harmless
28 provisions of AS 43.23.075.

29 * Sec. 3. The commissioner of revenue shall include with each permanent

1 fund dividend check for 1990 information explaining the legislative history
2 and purpose of appropriations from the dividend fund for Department of
3 Corrections and Department of Public Safety programs that reduced dividends
4 for 1989. If money is made available, through appropriation or a decision
5 of the court upholding the constitutionality of AS 43.23.005(d), to reim-
6 burse the dividend fund for amounts by which the 1989 dividend was reduced.
7 the commissioner shall include on the stub attached to each dividend check
8 for 1990 a statement of the amount by which the check is increased due to
9 the reimbursement.

10 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c).
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

Alaska State Legislature

Sen. Pat Pourchot, Chairman

Sen. Jan Falks, Vice Chairman

Sen. Al Adams

Sen. Tim Kelly

Sen. Rick Uehling



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

907-465-3712

Senate State Affairs Committee

LETTER OF INTENT
TO ACCOMPANY
S CS HB 553 (SA)

It is the intent of the Senate State Affairs Committee that all deductions from the earnings of the Permanent Fund be disclosed to the public. SCS HB 563 requires that all appropriations from the Dividend Fund be listed on the dividend check stub. The amount of dividends as the result of constitutionally mandated deposits and the amount attributable to legislative appropriations shall also appear on the dividend check stub.

It is the intent that all additional deductions from earnings be disclosed in a form other than on the check stub realizing that there is insufficient space on the check stub to list all expenditures paid from annual earnings. Those disclosures shall include 1) the Permanent Fund Corporation's operating budget, 2) the annual reinvestment of earnings to off-set the effects of inflation, 3) the appropriations to the Department of Law for legal fees for oil tax litigation and 4) any other deductions from the Earnings Reserve Account or earnings of the Permanent Fund.

It is the intent of the legislature that the current Corporation practice of including an informational brochure with the dividend check be continued and that the brochure include information which explains the amount and purpose of all deductions from the Permanent Fund Corporation earnings.

Senator Pat Pourchot, Chairman

April 27, 1990

6-2446A
Cook
4/26/90

*NO - Choose
45% garnishment*

BY THE STATE AFFAIRS COMMITTEE

1 IN THE SENATE

2 SENATE CONCURRENT RESOLUTION NO.
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 Suspending Uniform Rules 41(b), 24(c),
6 and 35 of the Alaska State Legislature
7 concerning HB 563.

8 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 That under Rule 54 of the Uniform Rules of the Alaska State Legisla-
10 ture the provisions of Rule 41(b), Rule 24(c), and Rule 35 of the Uniform
11 Rules, regarding changes to the title of a bill, are suspended in consid-
12 eration of House Bill No. 563, relating to the amount of permanent fund
13 dividends, to information regarding the value of dividends, and to the
14 partial exemption of dividends for the collection of debt.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

Title 38
Public Lands

shall set the time limit for applications for permanent fund dividends so that the number of eligible applicants is determined by October 1 of the year for which the dividend is declared and permanent fund dividends for a year are paid before April 30 of the year following that year.

(3) adopt regulations under the Administrative Procedure Act (AS 44.62) that establish procedures and time limits for an individual upon emancipation or upon reaching majority to apply for permanent fund dividends not credited or received during minority because the parent, guardian, or other authorized representative did not apply on behalf of the individual.

(4) assist residents of the state, particularly in rural areas, who because of language, disability, or inaccessibility to public transportation need assistance to establish eligibility and to apply for permanent fund dividends; and

(5) provide the commissioner of administration with information necessary to maintain individual annuity account records and administer the annuity program."

Effect of amendments. — The 1984 amendment substituted "October" for "December" in paragraph (2).

The 1988 amendment, effective May 26, 1988, deleted "and" at the end of paragraph (3), and added paragraphs (5) and (6).

Editor's notes. — Section 4, ch. 54, SLA 1988 provides that the amendments made to this section by ch. 54, SLA 1988 apply "only to eligibility for permanent fund dividends for years after 1988."

Sec. 43.23.065. Exemption of permanent fund dividends.

(a) Except as provided in (b) of this section, 50 percent 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.

(b) An exemption is not available under this section for permanent fund dividends taken to satisfy

(1) child support obligations required by court order or decision of the child support enforcement agency under AS 47.23.140 — 47.23.220;

(2) court ordered restitution under AS 12.55.045 — 12.55.051 or 12.55.100; or

(3) a debt owed by an eligible individual to an agency of the state, unless the debt is contested and an appeal is pending, or the time limit for filing an appeal has not expired.

(c) Claims listed in (b) of this section have priority in the order listed over other claims on a permanent fund dividend. (§ 1 ch 102 SLA 1982; am § 1 ch 157 SLA 1984; am § 1 ch 57 SLA 1985; am § 67 ch 138 SLA 1986; am § 3 ch 26 SLA 1989)

Editor's notes. — Sections 12 and 13, ch. 10, SLA 1985, amend this section and add new (b) and (c). The amendments are effective if § 1, ch. 99, SLA 1985 is repealed (see § 25, ch. 99, SLA 1985). If the amendments become law, the section will read: (a) Fifty percent of a cash permanent fund dividend payment is exempt from levy, execution, garnishment, attachment, or any other remedy for the col-

lection of debt. This exemption applies to an eligible individual's permanent fund dividend both before and after payment is made to the individual. An exemption is not available under this section for cash permanent fund dividend payments taken to satisfy (1) child support obligations required by court order or decision of the child support enforcement agency under AS 47.23.140 — 47.23.220; (2) a debt owed

Title 39
Public Offices
and Employees

ATTACHMENT
"B"

This warrant will be deemed paid unless redeemed
within two years after the date of issue per AS 37.05.180.

STATE OF ALASKA
TREASURY WARRANT
ALASKA PERMANENT FUND DIVIDEND

No. 528 ~~1111~~
89-52/1252

DATE OF ISSUE: 11 29 89

528 ~~1111~~

\$**303.16

PAY TO THE ORDER OF:



MEADOW CREEK CORRECTION-
AL CENTER
EAGLE RIVER AK 99577

VOID

DOLLARS	CENTS
\$ *****303	16

VOID

⑈ 52837680⑈ ⑆ 125200523⑆

NON NEGOTIABLE

No. 528 ~~1111~~

④ Reserved for Federal back-up
withholding info where required

⑤ Reserved for Olympic check-off
info where required. Note: Since
many dividend checks will still
be reduced by the check-off, we
must reserve this space.

1. PAYER'S NAME STATE OF ALASKA
2. FEDERAL ID NO. 92-6001185
- 3.
4. DATE 11/29/89 BATCH 02211
5. VOUCHER 47 ~~1111~~ DLN 90 ~~1111~~
- 6.

1989 PERMANENT FUND DIVIDEND \$ 873.16

④
⑤

ASSIGNED AND/OR ATTACHED \$ 570.00-
WARRANT AMOUNT \$ 303.16
APPLICANT'S SSN 574- ~~1111~~
APPLICANT'S NAME AND ADDRESS

MEADOW CREEK CORRECTION-
AL CENTER
EAGLE RIVER AK 99577

- 11.
12. REDUCTIONS PER DIVIDEND CHECK:
13. COSTS OF ADMINISTERING DIVIDEND PROGRAM.....\$ 6.83 (DEPT. OF REVENUE)
14. "HOLD HARMLESS" OF PERSONS WHOSE FEDERAL
15. BENEFITS ARE CUT WHEN THEY RECEIVE DIVIDENDS..\$22.72 (DEPT. OF H&SS)
16. SEX OFFENDER TREATMENT AND GATE MONEY FOR
17. RELEASED PRISONERS.....\$ 1.47 (DEPT. OF CORRECTIONS)
18. VIOLENT CRIMES COMPENSATION BOARD.....\$ 1.42 (DEPT. OF PUBLIC SAFETY)
19. TOTAL.....\$32.44

PERMANENT FUND DIVIDEND

WARRANT STOCK

1. The bid for printing the check stub goes out in July each year.
2. The warrant itself is strictly controlled by various banking and UCC rules, and by the needs of Treasury and the Division of Finance.
3. The "check stub" is available to some degree to transmit information to the recipient regarding the warrant amount, and information about the deductions. It is however limited in size and in use. Through a very tenuous agreement with the IRS, we are allowed to substitute the check stub for the 1099 form required by law to be issued in January of each year. The postage savings alone amounts to over \$85,000. If the check stub becomes so cluttered with information, that the IRS concludes that it does not meet the 1099 requirements, it will likely cost the dividend program over \$100,000.
4. The warrant stock is used for all dividend years, which means that space allocated for such information as "violent crimes compensation board" on subsequent 1989 warrants may be used for some other message on the 1990 warrant. Certain spaces are of course needed for all years (Date, batch, warrant amount, "assigned and/or attached," etc.).
5. As you can see from Attachment A and B, all 19 lines of computer print available were used and will be used on all 1989 warrant stubs. The lines which arguable would be available for printing further or different information on 1990 warrant stubs are lines 16 through 18. From the IRS' viewpoint, it would be best to put these lines at the very bottom or just above the "reductions per dividend check" line.

7297G

This warrant will be deemed paid unless redeemed within two years after the date of issue per AS 37.05.180.

STATE OF ALASKA
TREASURY WARRANT
ALASKA PERMANENT FUND DIVIDEND

No. 52944072
89-52/1252

DATE OF ISSUE:

PAY TO THE ORDER OF:



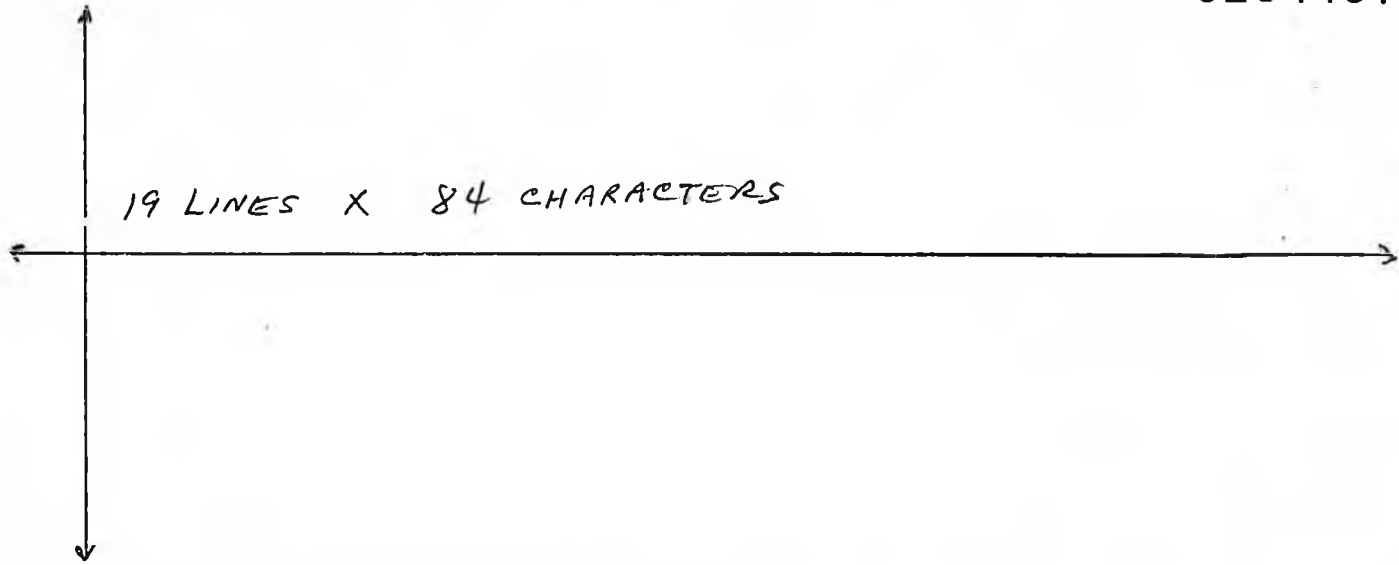
VOID

DOLLARS	CENTS
\$	

⑈52944072⑈ ⑆125200523⑆

NON NEGOTIABLE

No. 52944072



IMPORTANT - This stub contains important tax and other information (see back).

This warrant will be deemed paid unless redeemed within two years after the date of issue per AS 37.05.180.

STATE OF ALASKA
TREASURY WARRANT
ALASKA PERMANENT FUND DIVIDEND

No. 52944073
89-52/1252

DATE OF ISSUE:

PAY TO THE ORDER OF

DOLLARS	CENTS

ATTACHMENT
"A"

HB 563 —

Delete

Letter

OK with StOB

New Section 4:

Jim Kelly: Response to

Sec. 4

- A) Current letter of Intent... OK
- B) Including Gate & explanation in brochure... NO, unless specifically told to.

DUNCAN... Pete Carran

Sec. 4

Suggestion... To read:

IF money is made available through appropriation or a decision of the court upholding the constitutionality of AS 43.23.005(d), to reimburse the ~~fund~~ dividend fund for amounts by which the 1989 dividend was reduced, the commissioner shall include on the ~~check~~ stub attached to each dividend check for 1990 ~~a statement of~~ the following statement: The 1990 PFD reflects an increment of \$ _____ as the result of deductions from the 1989 PFD for Dept. of Corrections and Dept. of Pub. Safety programs.

(NO FLYER, NO EXPLANATION) a legislative reappropriation to reimburse for

REVENUE

Sec. 4

1) Very opposed to bringing up last year's deductions with this year's check.

Sec. 3

2) Clarification - Exemptions
DO NOT CHANGE 50%

CS → eliminate Sec. 3

* This CK rep can add \$ _____ to
compensate for decs from 1989
divided for DoF C and DPS

NOTES:

- Royce ... Revenue 2300
Sec. 3 / Sec 4 problems
- Removal of Sec. 3 _ requires Title Change
- Boucher _ wants immediate effective date.
Sec. 4 _ would discuss changing
Sec. 4 to read if (HB 511)
appropriation is made