

SB 168

SENATE FINANCE COMMITTEE REPORT

DATE: 3/6/91

FURTHER: _____

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: _____

The Finance Committee considered SB 168

Contributions from permanent fund dividends to school districts; efd.

Died in SFC.

and recommended:

- replace with _____ CS _____
- or adopt _____ CS _____
- attached amendment(s)
- _____ letter of intent adopted
- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____

- same title
- new title
- technical title change (HB only)

ATTACHES NEW FISCAL NOTE(S):

APPROVES PREVIOUS:

fiscal note(s) _____
Dept/Date: _____

fiscal note(s) _____
Dept/Date: _____

zero fiscal note(s) _____

zero fiscal note(s) _____

appropriation-no fiscal note

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

1. _____ 2. _____
Co-Chairs: Signatures and Recommendations

SENATE BILL NO. 168

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY SENATOR FISCHER

Introduced: 3/6/91
 Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to contributions from permanent fund dividends to school districts; and
 2 providing for an effective date."

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

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

5 Sec. 43.23.016. CONTRIBUTIONS FOR SCHOOL DISTRICTS. (a) The department
 6 shall prepare the permanent fund dividend application to allow an applicant to direct that all or
 7 a portion of the dividend be paid as a contribution to the school district designated by the
 8 applicant. The department shall include a list of the municipal school districts and the regional
 9 educational attendance areas with each application form.

10 (b) Contributions shall be deposited by the department in a special dividend
 11 contribution trust account and allocated to each school district in accordance with the contribution
 12 directions except that the department shall use money in the account to pay administrative costs
 13 incurred under this section.

14 * Sec. 2. This Act takes effect January 1, 1992.

ALASKA STATE LEGISLATURE
SENATE BILL NO. 168

HISTORY IN THE SENATE

1971
3/6

Read first time and referred to:

Finance

____ RPT(____) CS ____ DP ____ NR ____ DNP ____ AM
New Title ____ Same Title ____ Previous FN
____ FN ____ OFN To ____

____ RPT(____) CS ____ DP ____ NR ____ DNP ____ AM
New Title ____ Same Title ____ Previous FN
____ FN ____ OFN To ____

____ RPT(____) CS ____ DP ____ NR ____ DNP ____ AM
New Title ____ Same Title ____ Previous FN
____ FN ____ OFN To ____

____ Rules Calendar(____) CS ____ AM ____ Other
New Title ____ Same Title ____ Previous FN
____ FN ____ OFN

Read second time

____ CS Adopted (____) ____ New Title
____ Amended ____ Advanced

Read third time

____ Letter of Intent adopted
____ Return to second for specific amendment

PASSED EFD Same ____ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Reconsideration
Reconsideration not taken up

PASSED EFD Same ____ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

Reported correctly engrossed
Signed by President, to House

Secretary of the Senate

HISTORY IN THE HOUSE

19

Read first time and referred to:

____ RPT CS(____) ____ New Title
____ DP ____ DNP ____ NR ____ AM
____ FN ____ OFN ____ Previous FN

____ RPT CS(____) ____ New Title
____ DP ____ DNP ____ NR ____ AM
____ FN ____ OFN ____ Previous FN

____ RPT CS(____) ____ New Title
____ DP ____ DNP ____ NR ____ AM
____ FN ____ OFN ____ Previous FN

Read second time
CS(____) Adopted

Amended

Advanced

Read third time

Return to second for specific amendment

PASSED EFD Same ____ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

____ Intent adopted

Reconsideration
Reconsideration not taken up

PASSED ON RECON. EFD Same ____ or
Yeas Yeas
Nays Nays
Excused Excused
Absent Absent

____ Intent adopted

Reported correctly engrossed, signed by the Speaker
and returned to the Senate

Chief Clerk of the House

SENATE-HOUSE HISTORY Continued

19	<p>Received from the House Version: _____</p> <p>Concur in House amendment Y ___ N ___ E ___ A ___ _____ E/d same or Y ___ N ___ E ___ A ___</p> <p>Failed to concur in House amendment, ask House recede Y ___ N ___ E ___ A ___</p> <p>House failed to / receded from amendment Y ___ N ___ E ___ A ___</p> <p>CC appointed by Senate _____ Chair _____</p> <p>CC appointed by House _____ Chair _____</p> <p>(S) Granted Limited Powers of Free Conference</p> <p>(H) Granted Limited Powers of Free Conference</p>
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19	<p>(S) Adopted CC Rpt _____ Y ___ N ___ E ___ A ___ _____ E/d same or Y ___ N ___ E ___ A ___</p> <p>(H) Adopted CC Rpt _____ Y ___ N ___ E ___ A ___ _____ E/d same or Y ___ N ___ E ___ A ___</p> <p>To enrolling Received from enrolling Sent to Governor</p> <p>_____ By Governor</p> <p>Chapter Number _____</p> <p>Filed with Lieutenant Governor</p>
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FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SB 168

Revision Date: April 19, 1991
Title: Contribute PFDs to School Districts
Sponsor: Fischer
Requestor: _____

Agency Affected: Revenue
BRU: Permanent Fund Dividend Division
Components: Permanent Fund Dividend Division
COMPONENT SERIAL NO. 9 8 1

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
OPERATING						
PERSONAL SERVICES	26.7	13.1	13.1	13.1	13.1	13.1
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	15.0	15.0	15.0	15.0	15.0	15.0
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	41.7	28.1	28.1	28.1	28.1	28.1
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	41.7	28.1	28.1	28.1	28.1	28.1
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-

Estimate of current year impact: None.

ANALYSIS: See attached.

Prepared By: Thomas C. Williams
Division: Permanent Fund Dividend Division

Phone: 465-2323
Date: April 19, 1991

Approved by Commissioner: Lee E. Fisher
Agency: Revenue

Date: April 22, 1991

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND DIVISION
SB 168 ANALYSIS
As of April 19, 1991

Assumptions:

1. This bill is the only Permanent Fund Dividend checkoff bill that will become law. This fiscal note would change if other PFD checkoff bills are introduced and become law.
2. The Department of Administration will charge the Department of Revenue for the required additional computer time.
3. The cost of programming changes will be a one-time cost. Ongoing maintenance of new programs would be accomplished by existing staff. 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. The following tasks will require the following programming hours.

	<u>Hours</u>
a. <u>Wang Data Entry Processing Updates</u>	75.0
(1) Data entry	
(2) Batch lists	
(3) Corrections	
(4) Wang to IBM transfer	
b. <u>IBM File Processing Updates</u>	30.0
(1) Edits	
(2) Batch listings	
(3) Worksheets	
c. <u>CICS Online Programs for Lookup and Changes</u>	37.5
d. <u>Nightly Update of Changes</u>	22.5
e. <u>Warrant Jobs</u>	90.0
(1) Printing warrants with different amounts. Include check stub messages.	
(2) Modify warrant registers as needed for balancing.	
(3) Create new program for transferring accumulated decisions to trust account and to account for the reserve necessary due to returned and cancelled PFD warrants.	
f. <u>Miscellaneous</u>	45.0
(1) Setting up test files on IBM	
(2) Systems testing	
 <u>Total Hours</u>	 <u>300.0</u>

ALASKA DEPARTMENT OF REVENUE
 PERMANENT FUND DIVIDEND DIVISION
SB 168 ANALYSIS
 As of April 19, 1991

4. The cost of document review, data capture and the data processing chargeback will be continuing. One Document Processor I position would be required for three months to assist in the manual review and coding of 525,000 applications. One Data Processing Clerk I position would be required for two months to assist in data capture.
5. There will be an additional cost associated with an extra page in the PFD booklet necessary to list all municipal school districts and regional attendance areas.
6. Garnishments and assignments will take precedence over contributions to the school districts in the order established by statute. The PFD Division will only honor contributions to the extent that an individual's permanent fund dividend has not otherwise been assigned or garnished.
7. The PFD Division will be responsible for electronically transferring contributions to the trust fund account.
8. The Treasury Division will be responsible for the accounting and management of the trust account.

Cost Summary:

1. Personal Services

	<u>FY 92</u>	<u>FY 93</u>
1 PPT Analyst/Programmer V, R21 @ \$6,770.74/Mo including salary and benefits for 2 months. PCN 04-6011 would be funded for an additional 2 months.	\$ 13.6	\$ -0-
1 PPT Document Processor I, R7 @ \$2,573.60/Mo including salary and benefits for 3 months. This position represents the equivalent of the additional time and effort.	7.7	7.7
1 PPT Data Processing Clerk I, R8 @ \$2,699.03/Mo including salary and benefits for 2 months. This position represents the equivalent of the additional time and effort.	<u>5.4</u>	<u>5.4</u>
Total Personal Services	<u>26.7</u>	<u>13.1</u>

2. Contractual Services

a. Data Processing Chargeback	5.0	5.0
b. Printing charge for extra page	<u>10.0</u>	<u>10.0</u>
Total Contractual Services	<u>15.0</u>	<u>15.0</u>
TOTAL COST	<u>\$ 41.7</u>	<u>\$ 28.1</u>

Revision Date: _____
 Title: Contribute PFDs to School
Districts
 Sponsor: Fischer
 Requestor: _____

Agency Affected: Revenue
 BRU: Permanent Fund Dividend Division
 Components: Permanent Fund Dividend
Division
 COMPONENT SERIAL NO. 9 8 1

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
OPERATING						
PERSONAL SERVICES	26.7	13.1	13.1	13.1	13.1	13.1
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	15.0	15.0	15.0	15.0	15.0	15.0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	41.7	28.1	28.1	28.1	28.1	28.1
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-

Estimate of current year impact: None.

ANALYSIS: See attached.

Prepared By: Thomas C. Williams *Thomas C. Williams* Phone: 465-2323
 Division: Permanent Fund Dividend Division Date: March 26, 1991

Approved by Commissioner: Lee E. Fisher *Lee E. Fisher*
 Agency: Revenue Date: 3-27-91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND DIVISION
SB 168 ANALYSIS

As of March 26, 1991

Assumptions:

1. This bill is the only Permanent Fund Dividend checkoff bill that will become law. This fiscal note would change if other PFD checkoff bills are introduced and become law.
2. The Department of Administration will charge the Department of Revenue for the required additional computer time.
3. The cost of programming changes will be a one-time cost. Ongoing maintenance of new programs would be accomplished by existing staff. 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. The following tasks will require the following programming hours.

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(3) Create new program for transferring accumulated decisions to trust account and to account for the reserve necessary due to returned and cancelled PFD warrants.	
f. <u>Miscellaneous</u>	45.0
(1) Setting up test files on IBM	
(2) Systems testing	
(3) Administrative functions, i.e. paper work required by Admin. DP to add files and programs to tables.	
<u>Total Hours</u>	<u>300.0</u>

ALASKA DEPARTMENT OF REVENUE
 PERMANENT FUND DIVIDEND DIVISION
SB 168 ANALYSIS
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