

SB 98

SENATE FINANCE COMMITTEE REPORT

DATE TURNED INTO OFFICE 2/27/91

2/15/91

The Finance Committee considered

SB 98

eligibility for permanent fund dividends of certain individuals serving in the military; efd.

and recommended:

replace with _____ CS SB 98 (Fix)
 or adopt _____ CS _____

same title
 new title
 technical title change (HB only)

attached amendment(s)
 _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

ATTACHES NEW FISCAL NOTE(S):
Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

appropriation-no fiscal note

SIGNING DO PASS:

APPROVES PREVIOUS:

Dept/Date:

fiscal note(s) _____

zero fiscal note(s) DVR 2/13/91

OTHER RECOMMENDATIONS:

Carl Adams
Lyons A. Brown
Paul J. Kelly
Richard L. ...
[Signature]

1. [Signature] 2. [Signature] do pass
Co-Chairs: Signatures and Recommendations

FISCAL NOTE

No. 1

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL N

Version: SA 98

(S) Publish Date: 2/19/91

Revision Date: _____
Title: An Act relating to PFDs for
Alaskans on Military Duty
Sponsor: SHULTZ, Frank, Adams et al
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	-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 (PFD)	-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-

Estimate of current year impact: -0-

ANALYSIS: None required

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

Phone: 465-2323
Date: February 13, 1991

Approved by Commissioner: _____
Agency: Revenue

Date: 2-13-91

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

page 1 of 1

Changes in CSSB 98 (Fin) have no fiscal impact. This fiscal note is appropriate. 2/27/91 ML

Changes in CSSB-98 (STA) have no fiscal impact. This fiscal note is appropriate.
2-14-91 date ML Comte Aide (initial)

Finance
 CS FOR SENATE BILL NO. 98 ~~(STATE AFFAIRS)~~

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 2/15/91

Referred: Finance

Sponsor(s): SENATORS SHULTZ, Frank, Adams, Sturgulewski, Uehling, Rodey, Menard, Collins, Duncan, Jones, Fischer, Halford

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to eligibility for permanent fund dividends of certain individuals; and
 2 providing for an effective date."

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

4 * Section 1. AS 43.23.005 is amended by adding a new subsection to read:

5 (f) In a time of national military emergency, the commissioner may waive the
 6 requirement of (a)(3) of this section for an individual absent from the state while serving in the
 7 military forces of the United States, or for the spouse and dependents of that individual.

8 * Sec. 2. PERMANENT FUND DIVIDENDS FOR CERTAIN INDIVIDUALS. (a) Notwithstanding
 9 AS 43.23.005(a)(3), an individual absent from the state while serving in the military forces of the United
 10 States, or a spouse or dependent of that individual, is eligible to receive a 1991 permanent fund dividend
 11 if the commissioner of revenue determines that the individual, spouse, or dependent is otherwise
 12 qualified and was qualified to receive a dividend for 1990.

13 (b) Notwithstanding AS 43.23.015(c), an individual absent from the state while serving in the
 14 military forces of the United States and stationed in the Persian Gulf war zone may execute a power of

1 attorney authorizing another person to apply for the 1991 permanent fund dividend on behalf of the
2 individual. An individual stationed in the Persian Gulf war zone at any time during April 1, 1991
3 through June 30, 1991, may apply for a 1991 permanent fund dividend during the 1992 application
4 period if no application was submitted on the individual's behalf during the 1991 application period and
5 the individual otherwise qualifies for a 1991 dividend. The dividend shall be paid in the same manner
6 as prior year dividends under AS 43.23.025(a)(1)(C) and 43.23.055(3) and (7).

7 (c) Notwithstanding AS 43.23.005(a) and 43.23.015(c), if an individual was killed ~~in action~~ while
8 serving in the military forces of the United States and stationed in the Persian Gulf war zone at any time
9 during April 1, 1991 through June 30, 1991, the personal representative of the individual's estate may
10 apply for the 1991 permanent fund dividend on behalf of the individual's estate at any time during the
11 1991 or 1992 permanent fund dividend application period.

12 (d) Notwithstanding AS 43.23.015(b), the Department of Revenue shall prescribe and furnish
13 an application form for claiming a dividend under this section. The department shall adopt regulations
14 defining the limits of the Persian Gulf war zone and prescribing any additional evidence the department
15 may require to determine eligibility, including evidence of the applicant's assignment to the Persian Gulf
16 war zone during the 1991 application period.

17 * Sec. 3. Section 2 of this Act takes effect immediately under AS 01.10.070(c).

18 * Sec. 4. Section 1 of this Act takes effect January 1, 1992.

RS
motion
Amend.
Adopted

STATE OF ALASKA

DEPARTMENT OF REVENUE

PERMANENT FUND DIVIDEND DIVISION

STEVE COWPER, GOVERNOR

STATE OFFICE BUILDING
P.O. BOX S-0462
JUNEAU, ALASKA 99811-0400

March 6, 1991

The Honorable Pat Pourchot
Co-Chairman, Senate Finance Committee
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Dear Senator Pourchot:

My letter of March 4th, in response to your February 27th request regarding the effects of CSSB 98 (FIN) on the amount of the 1991 dividend, contained a typographical error. In the last paragraph on the first page, "ineligible" should have read "eligible" (as shown below).

More importantly, because Section 2(a) only allows the 1991 waiver of the two-year return rule to those individuals who were also eligible for a 1990 dividend, this legislation will not in itself result in an increase in the number of eligible military members, spouses or dependents.

I have attached a revised Fiscal Note reflecting the correction.

Sincerely, . . .



Thomas C. Williams, Director
Permanent Fund Dividend Division
(907) 465-2323

7821G

cc: Darrel Rexwinkel, Deputy Commissioner
Department of Revenue

Nancy Bennett, Director
Administrative Services Division
Department of Revenue

Jim Slocum
Fiscal Analyst
Legislative Finance

Cynthia Halterman
Budget Analyst
Office of Management and Budget



Official Business

Alaska State Legislature

SENATE

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

Senate State Affairs Committee

Letter of Intent

CSSB-98 (STA)

An Act relating to eligibility for
permanent fund dividends of certain individuals

It is the intent of the Legislature that the Commissioner construe Section One in narrow terms employing the provisions of this section only when situations arise which truly threaten national security.

It is not the intention of the Legislature that Section One be used to enable military personnel to receive the benefits of this measure if they are involved in routine or relatively minor military service.

It is further the intent of the Legislature that Section Two be liberally construed so as to address unanticipated situations that could result from a war of longer duration.

It is not the Legislature's intention to deny any qualified individual from receiving a dividend as a result of military service during a time of National Military Emergency. The Legislature urges the Commissioner to give wide latitude in carrying out the provisions of Section Two and recognizes it may want to consider expanding the provisions of this section if the situation in the Persian Gulf war requires.

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. CSSB 98 (FIN)

Revision Date: March 6, 1991
Title: An Act relating to PFDs for Alaskans on Military Duty
Sponsor: SHULTZ, Frank, Adams et al
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	-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)

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FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (PFD)	-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-

Estimate of current year impact: -0-

ANALYSIS: See attached.

Prepared By: Thomas C. Williams Phone: 465-2323
Division: Permanent Fund Dividend Division Date: March 6, 1991
Approved by Commissioner: David Reynolds, acting
Agency: Revenue Date: 3/6/91

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

ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND DIVISION
ANALYSIS

ANALYSIS OF THE EFFECT OF CS SB 98 (FIN) ON THE SIZE OF THE 1991 PFD
As of March 6, 1991

If Operations Desert Shield and Storm had not occurred, there would likely have been some members of the military who would not have complied with the two-year return rule, either by choice or otherwise. Consequently, those individuals would not have qualified for a 1991 dividend. Depending upon the actual number of those individuals, each Alaskan's dividend might have increased by a relatively small amount.

However, Operations Desert Shield and Storm did occur, impairing the ability of Alaskan military personnel to return home. Consequently, it is virtually impossible to distinguish between:

- a. Those individuals who would not have met the two-year return requirement if Operations Desert Shield and Storm had not occurred; and
- b. Those that were prevented from returning home because of Operations Desert Shield and Storm.

Consequently, we cannot determine how much each Alaskan's dividend would have increased if Operations Desert Shield and Storm had not occurred.

More importantly, because Section 2(a) only allows the 1991 waiver of the two-year return rule to those individuals who were also eligible for a 1990 dividend, this legislation will not in itself result in an increase in the number of eligible military members, spouses or dependents.