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2/13/91

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:
Referred:

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 serving
2 in the military; and 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.

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. CSSB 98 (SA)

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 Phone: 465-2323
Division: Permanent Fund Dividend Division Date: February 13, 1991

Approved by Commissioner: [Signature] Date: 2-13-91
Agency: Revenue

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

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ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND DIVISION
POLICY ANALYSIS
CS SB 98 (SA)
As of February 13, 1991

The proposed committee substitute for SB 98 (SA) would deal with 1991 and future years' programs.

Section 2 deals with the 1991 program. It would:

1. Make the waiver of the two year return rule specific to the 1991 program.
2. Apply this one-time waiver to all Alaskan military and their dependents who are otherwise eligible and were eligible for a 1990 dividend (see Attachment).
3. Encourage those with Powers of Attorney for those Alaskan residents serving in the Persian Gulf War Zone to apply for a 1991 dividend on their behalf, but allow those residents who were stationed in the War Zone any time from April 1, 1991 through June 30, 1991 to file a 1991 application during the 1992 application period if no application was submitted on their behalf during the 1991 applications period and they were otherwise eligible for a 1991 dividend; and
4. Allow personal representatives to apply during the 1991 or 1992 period on behalf of the estate of those Alaskans killed in action during the hostilities if the Alaskan was stationed in the Persian Gulf War Zone any time from April 1, 1991 through June 30, 1991 and was killed in the War Zone.

Section 1 deals with future programs and is effective January 1, 1992. I would allow (but not require) the Department to issue a similar waiver under any similar future circumstances.

ALASKA DEPARTMENT OF REVENUE
 PERMANENT FUND DIVIDEND DIVISION
 CS SB 98 (SA)
TWO-YEAR RETURN RULE OPTIONS AND CONSEQUENCES
 As of February 13, 1991

<u>Group</u>	<u>Options</u>	<u>Consequences</u>
A. Gulf military unable to comply with 2-year Return Rule because of Operation Desert Shield/Storm	1. Suspend return requirement until after war ends	Substantial amount of paperwork and contacts/ Administrative Nightmare
	2. Waive for 1991	Equitable/Easy to communicate and administer/No significant harm to program integrity on <u>a one-time basis</u>
B. All other military worldwide (stateside and overseas) on call	1. Don't waive	Difficult to distinguish between <u>able</u> vs. <u>unable</u> / Substantial amount of paperwork and contacts/ Substantial amount of paperwork and contacts/ Administrative Nightmare
	2. Suspend return requirement until after war ends	Substantial amount of paperwork and contacts/ Administrative Nightmare
	3. Waive for 1991	Equitable/Easy to communicate and administer/No significant harm to program integrity on <u>a one-time basis</u>
C. Families (dependents) of Gulf military unable to comply with 2-year Return Rule	1. Don't waive	Undue burden during time of extra stress/Difficult to administer
	2. Waive for 1991	Compassionate/Easy to communicate and administer/No significant harm to program integrity on <u>a one-time basis</u>
D. Families (dependents) of all other military worldwide (stateside and overseas) on call	1. Don't waive	Difficult to determine whether their sponsoring military member was <u>able</u> vs. <u>unable</u> to return/ Substantial amount of paperwork and contacts/ Administrative Nightmare
	2. Waive for 1991	Compassionate/Easy to communicate and administer/No significant harm to program integrity on <u>a one-time basis</u>

BILL SB 98 DATE RECEIVED 2-1-91

TITLE PFD MILITARY ELIGIBILITY

 DAVE
CONTACT STANCLIFF OFFICE/DEPT SCHULTZ PHONE 4951

SPONSOR SHULTZ

COMMITTEE ACTION

DATE ACTION TAKEN

2-11-91 DISCUSSED, HELD FOR FISCAL NOTE.



Alaska State Legislature

SENATE

Official Business

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

Date: Monday, February 11, 1991
1:30 p.m. - Beltz Room

Senate State Affairs Committee

AGENDA

Bills previously heard

SB-44, 45, and SJR-9, (Kerttula) heard in committee last Friday, Feb. 8th, will be taken up again on Wednesday, February 13th.

New Agenda Items

- SB-51 (Duncan) An Act relating to transfer of service credit by active and inactive members and former members of the teachers' retirement system and the public employees' retirement system. (Sen. Duncan has a CS to offer).
- SB-98 (Shultz) An Act relating to eligibility for permanent fund dividends of certain individuals serving in the military.

Next Meeting:

Wednesday, February 13, 1991 - 1:30 p.m. Beltz Room

- SB-44, 45, HJR-9 (Kerttula) Relating to a State Veterans Home
- SB-53 (Duncan) An Act relating to retirement credit in PERS for employees of the former Alaska State Development Corp.
- SB-99 (Judiciary by Request) An Act establishing an exemption for the judicial retirement system.



Alaska State Legislature

SENATE

Official Business

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

MEMORANDUM

TO: SENATOR RODEY
FROM: SENATOR SHULTZ *DS*
DATE: FEBRUARY 1, 1991
RE: SCHEDULING OF SB 98

I have introduced Senate Bill 98 to alleviate the problem our military personnel are having as a result of the Persian Gulf crisis. With a freeze on all leave, some Alaskan service people will not be able to meet the statutory requirements for receiving their PFD.

My legislation is very specific and is intentionally narrow so as to minimize controversy. With the war in full swing this small but important gesture would be very timely and supportive.

I would appreciate a hearing and prompt action on this legislation if at all possible.

Thank you.