

HB

225

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/21/93

FURTHER:

DATE TURNED INTO OFFICE: 5-3-93

The Finance Committee considered HOUSE BILL NO. 225

"An Act relating to notice of certain appropriations from the dividend fund."

and recommends:

- replace with _____ CS _____ (FINANCE)
- or adopt previous _____ CS _____ (_____)
- attaches amendment(s)

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

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal
DOR	3/17/93	0	

Appropriation No Fiscal Note

DO PASS:

Steve Trin

Bob Sharp

OTHER RECOMMENDATIONS:

1. Don't do pass

2. True notice 10/2

FISCAL NOTE

No. 1
 Bill Version HB 225
 (H) Publish Date: 3/29/93

STATE OF ALASKA
 1993 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Revenue
 Title: An Act relating to notice of certain appropriations from the dividend fund BRU: Permanent Fund Dividend
 Component: Permanent Fund Dividend
 Sponsor: House Finance Committee
 Requestor: House Finance Committee COMPONENT SERIAL NO. 981

Expenditures/Revenues: (Thousands of Dollars)

	FY94	FY95	FY96	FY97	FY98	FY99
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE FUND SOURCE:	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ -0-

ANALYSIS: (Attach a separate page if necessary)

None necessary.

Prepared by: Thomas C. Williams Phone: 465-2323
 Division: Permanent Fund Dividend Date: March 16, 1993
 Approved by Commissioner: [Signature] Date: 3/17/93
 Agency: Department of Revenue

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(907) 465-2995

HOUSE OF REPRESENTATIVES

HOUSE BILL 225 Notice of Appropriations on PFD's By House Finance

SPONSOR STATEMENT

As the Public Safety finance subcommittee proceeded in the budget process, we explored various funding options for agencies within the Department. This bill developed as a vehicle to provide the Council on Domestic Violence and Sexual Assault with partial funding outside the general fund stream. The subcommittee and the Finance committee believe felons' permanent fund dividends are a pertinent source for the Council's work.

Existing statute requires each permanent fund check to provide notice of the amount by which each dividend was reduced due to any appropriations from the dividend fund.

Currently, exemptions to this requirement are afforded to appropriations to the crime victim compensation fund and the Department of Corrections as long as these appropriations *do not exceed the total amount that would have been paid to felons had they been eligible for a dividend.*

This bill amends statute to include the Council on Domestic Violence and Sexual Assault with the exemptions to the violent crimes compensation fund and the Department of Corrections.

Back-up

DIVISION OF LEGAL SERVICES

**LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

March 9, 1993

SUBJECT: Notice of certain appropriations (Work Order No. 8-LS0784\A)

TO: Representative Sean Parnell

FROM: Tamara Brandt Cook *TBC*
Director

Under AS 43.23.028 the stub attached to each permanent fund dividend check is required to contain notice of the amount by which each dividend was reduced due to each appropriation from the dividend fund. Under subsection (b) appropriations to the crime victim compensation fund or to the Department of Corrections are not subject to that notice requirement to the extent that the appropriations do not exceed the total amount that would have been paid to felons if they had been eligible for a dividend. This draft adds to subsection (b) the council on domestic violence and sexual assault, so, under this draft, appropriations for the three purposes would enjoy the exemption from the notice requirement.

You have asked whether there are any legal problems presented by this draft. I cannot think of any.

TBC:gc
93-217.glc


MEMORANDUM

STATE OF ALASKA DEPARTMENT OF REVENUE

to: Cheryl Frasca, Director
Division of Budget Review
Office of Management and Budget

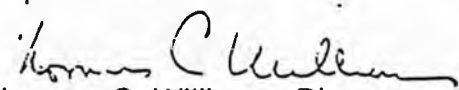
DATE: March 10, 1993

FILE: *jdocasubpropn.ly4*

THRU: Rod R. Mourant 
Assistant Commissioner
Department of Revenue

TELEPHONE: (907) 465-2323

SUBJECT: FY 94 DIVIDEND FUND
AMOUNT AVAILABLE
FOR APPROPRIATION
TO PUBLIC SAFETY
AND CORRECTIONS

FROM: Thomas C. Williams, Director 
Permanent Fund Dividend Division

The total amount of 1992 dividends that would have been paid in FY 93 to individuals who were ineligible to receive dividends because they were incarcerated for a felony conviction had they been eligible is computed as follows:

<u>FY 92 Incarcerated Felons:</u>	<u>Number</u>	<u>PFD Amount</u>	<u>Total Amount</u>
1. whose most recent 1988-1991 application prior to their statutory ineligibility was:			
a. payable	2,566		
b. potentially payable	20		
2. who were potentially payable as first time filers in 1992	44		
	<u>2,630</u>	x <u>\$915.84</u>	= <u>\$2,408,659</u>

This is the total amount that can be appropriated to the Department of Public Safety, Violent Crimes Compensation Fund and the Department of Corrections and avoid disclosure under the provisions of AS 43.23.028(b). Any additional amount appropriated from the dividend fund will be disclosed on the 1993 dividend check stub as required by AS 43.23.028(a).

The number of individuals was computed by matching the felon's list provided by the Department of Corrections in the summer of 1992 with the 1988 through 1992 PFD masterfile.

Cheryl Frasca
March 10, 1993
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We counted only those incarcerated felons who were more likely than not to be eligible if they had not been incarcerated in FY92. We excluded individuals on Corrections' list who:

1. were later determined not to have been incarcerated in FY92 for a felony conviction; or
2. had not filed for any year 1988-1992; or
3. whose most recent 1988-1990 application prior to their statutory ineligibility had been denied for another reason.

This was the method that I advised legislative staff that we would be using when we discussed the specific language of AS 43.23.028(b) to be included in SB 98 late in the 1991 legislative session. It is the only reasonable way to ensure that *ineligible nonresidents* incarcerated in Alaska for a felony conviction *are not included* in the computation without trying to do a specific eligibility determination on each of the 3,342 individuals on Corrections' list.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET
DIVISION OF BUDGET REVIEW

WALTER J. HICKEL, GOVERNOR

P.O. BOX 110020
JUNEAU, ALASKA 99811-0020
PHONE: (907) 465-3568

March 18, 1993

The Honorable Ron Larson
The Honorable Eileen Maclean
Co-Chairs
House Finance Committee
State Capitol
Juneau, Alaska 99801-1182

Dear Committee Co-Chairs:

One of the recommendations of the Finance Committee's subcommittee for the Department of Public Safety was to change the composition of the Council on Domestic Violence and Sexual Assault's (CDVSA) FY 94 operating budget funding. The proposal is to supplant \$300,000 in general funds with \$300,000 from the permanent fund dividends of incarcerated felons who are ineligible to receive a dividend under AS 23.005(d).

The dollar amount of the recommendation was based on information verbally provided by the Department of Revenue. For the committee's reference, attached is the department's written verification of the availability of these funds. As you will note, the department's calculations indicate an additional \$504,700 is estimated to be available in FY 94. This amount is in addition to the \$1,604,000 proposed in the Governor's budget and the \$300,000 proposed by the subcommittee.

As Representative Parnell advised the committee, it is not necessary to disclose use of these dividend funds on individual dividend checks when appropriated to the crime victim compensation fund or to the Department of Corrections. Uses such as to CDVSA will require disclosure on individual checks, or amendment of AS 43.23.028(b), the dividend's public notice requirement.

The Honorable Ron Larson
The Honorable Eileen Maclean
March 17, 1993
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Should you have any questions or need additional information, please let me know.

Sincerely,

Cheryl Frasca
Director

Attachment

cc: Representative Sean Parnell

Senator Steve Frank
Senator Drue Pearce
Senate Finance Co-Chairs

Commissioner Richard Burton
Department of Public Safety

J. Shelby Stastny, Director
Office of Management and Budget

Tom Williams, Director
Division of Permanent Fund Dividend
Department of Revenue