

HVB

364

SFIN

FILE

SENATE COMMITTEE REPORT

DATE: 5/8/94

FURTHER: Finance

DATE TURNED INTO OFFICE: _____

State Affairs Committee considered CS FOR HOUSE BILL NO. 364(FIN)(title am)

"An Act relating to contributions to the Iditarod Trail Committee, Inc. and the Alaska Children's Trust Fund (AS 37.14.200) from permanent fund dividends; and providing for an effective date."

and recommends:

replace with Sen CS CS HB 364 (STA)
 or adopt previous _____ CS _____
 attaches amendment(s) upt th of none

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	5-7-94		36

Appropriation No Fiscal Note

DO PASS:

OTHER RECOMMENDATIONS:

Shuman - No Rec
Ellis - Dogs and Kids only

Arwen A. Shuman No rec
 Chair: Signature and Recommendation

FISCAL NOTE

No. 2

Bill Version: C SHB 364 (FIN)

(H) Publish Date: 5/7/94

**STATE OF ALASKA
1994 LEGISLATIVE SESSION**

BILL NO

Revision Date:

Dept. Affected: Revenue

Title: Contributions from PFDs

BRU: Permanent Fund Dividend

Component: Permanent Fund Dividend

Sponsor: NORDLAND

Requestor: House Finance Committee

COMPONENT SERIAL NO. 981

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	7.4	7.4	7.4	-0-	-0-	-0-
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	27.6	7.1	7.1	2.0	-0-	-0-
SUPPLIES	1.0	1.0	1.0	-0-	-0-	-0-
EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	36.0	15.5	15.5	2.0	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE FUND SOURCE: (See assumptions)	36.0	15.5	15.5	2.0	-0-	-0-
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FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	36.0	(36.0)				
1005 GF/Program Receipts		51.5	15.5	2.0	-0-	-0-
1006 GF/MHTIA						
Other Dividend Fund 1050						
TOTAL	36.0	15.5	15.5	2.0	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: \$ -0-

ANALYSIS:

See pages 2 - 3.

Changes in SOS CSHB 364 (STA) reflect NO FISCAL CHANGE from the original fiscal note. This fiscal note is appropriate.

5-10-94 date Frank Comite Aide (initial)

Prepared by:

Thomas C. Williams

Division:

Permanent Fund Dividend

Approved by Commissioner:

Department of Revenue

Agency:

Phone: 465-2323

Date: 05-06-94

Date: 5/6/94

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ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND DIVISION

ANALYSIS OF HB 364 (FIN)

As of May 6, 1994

Assumptions: This fiscal note is based on the following assumptions:

1. These are the only two Permanent Fund Dividend checkoffs that will become law.
2. A two-part yes or no question asking if an individual wanted to donate \$10 to each account would be added to the application requiring an enlargement of the application page size. The contribution options would be listed in the order in which they appear in the legislation. A two or three line explanation of each checkoff option would be included in the household application booklet instructions.
3. 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 special contribution accounts.
4. The cost of data capture and the data processing chargeback would be continuing. Two Data Processing Clerk I positions would be required for one additional month to assist in the additional data capture and verification of 560,000 applications. This would require changing two 3-month short term temporary positions to two 4-month long term temporary positions.
5. Garnishments, attachments and levies would take precedence, in the order established by statute, over contributions. The PFD Division would only honor contributions to the extent that an individual's permanent fund dividend has not otherwise been garnished, attached or levied. If the applicant had less than \$20 left after garnishment or levy of the dividend, the PFD Division would honor only the first contribution requested. If an individual applicant had less than \$10 left after garnishment or levy of their dividend, the PFD division would not honor applicant's request for either contribution.
6. Applicants will be advised that contributing to either option will disqualify them from having their dividend directly deposited.
7. The PFD Division would transfer contributions made by applicants to special accounts maintained by the fiscal section of the department's Administrative Service Division.
8. No administrative costs can be recovered until the distribution of the 1995 dividend, which will not occur until FY 96. Accordingly, a General Fund appropriation to fund the FY 95 administrative costs will be required. In FY 96, program receipts would

ALASKA DEPARTMENT OF REVENUE
 PERMANENT FUND DIVIDEND DIVISION
ANALYSIS OF HB 364 (FIN)
 As of May 6, 1994

be used to repay the FY 95 General Fund appropriation. If fewer than 1,550 individuals elect to contribute \$10 of their 1995, 1996 or 1997 dividend to one of the checkoff programs, the Department will request a General Fund appropriation for FY 96, FY 97 and FY 98 to cover the unpaid administrative costs for those years.

9. The Administrative Services Division would be responsible for timely issuing to the appropriate recipient the unexpended balance accumulated in the contribution accounts.

Cost Summary

1. <u>Personal Services</u>	<u>FY 95</u>	<u>FY 96</u>
Change two 3-month short term Range 8 PPT Data Processing Clerk I positions to two 4-month long term positions at a marginal cost of \$3,686 per position.	<u>\$ 7.4</u>	<u>\$ 7.4</u>
2. <u>Contractual Services</u>		
a. Programming Services (300 hours x 75/hr.)	22.5	-0-
b. Data Processing Chargeback	3.0	5.0
c. Additional postage required for bulk mail of booklet	<u>2.1</u>	<u>2.1</u>
<u>Total Contractual Services</u>	<u>27.6</u>	<u>7.1</u>
3. <u>Supplies</u>		
Microfilm and diazo	<u>1.0</u>	<u>1.0</u>
<u>Total Cost</u>	<u>\$ 36.0</u>	<u>\$ 15.5</u>

ALASKA STATE LEGISLATURE
HOUSE BILL NO. 364

HISTORY IN THE HOUSE

1994
Read first time and referred to:
MLV. FIN

1/12

2/14 MLV RPT CS() New Title
1 DP 0 DNP 2 NR 1 AM
FN 1 OFN Previous FN

5/7 FIN RPT CS(FIN) New Title
2 DP 1 DNP 5 NR 1 AM
1 FN OFN Previous FN

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

5/7 Read second time
CS(FIN) Adopted

5/7 Amended (Title am)

5/7 Advanced

5/7 Read third time

Return to second for specific amendment

5/7 PASSED EFD Same or
Yeas 27 Yeas
Nays 12 Nays
Excused 1 Excused
Absent 0 Absent

Intent adopted

5/7 Reconsideration MacKie
5/7 Reconsideration ~~not~~ taken up

5/7 PASSED ON RECON. EFD Same ___ or
Yeas 26 Yeas 34
Nays 13 Nays 5
Excused 1 Excused 1
Absent 0 Absent 0

Intent adopted

5/7 Reported correctly engrossed
Signed by Speaker, to the Senate
Suzi Lowell
Chief Clerk of the House

HISTORY IN THE SENATE

1994
Read first time and referred to:
5/8 5/8 FIN

5/10 STA RPT(VS) CS DP 2 NR DNP LOM
 New Title Same Title Previous FN
FN OFN To FIN

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 the House

Secretary of the Senate

SENATE CONCURRENT RESOLUTION NO. 26
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Introduced: 5/10/94
Referred: Finance

A RESOLUTION

1 Suspending Uniform Rules 24(c), 35, 41(b), and 42(e) of the Alaska State
2 Legislature concerning House Bill No. 364, relating to contributions from
3 permanent fund dividends.

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

5 That under Rule 54 of the Uniform Rules of the Alaska State Legislature, the
6 provisions of Rules 24(c), 35, 41(b), and 42(e) of the Uniform Rules, regarding changes to the
7 title of a bill, are suspended in consideration of House Bill No. 364, relating to contributions
8 from permanent fund dividends.

ALASKA STATE LEGISLATURE
HOUSE BILL NO. 364

HISTORY IN THE HOUSE

1994
1/12
2/14
5/7
5/7
5/7
5/7
5/7
5/7
5/7
5/7
5/7
5/7
5/7

Read first time and referred to:
MLV. FIN

MLV RPT CS() New Title:
1 DP 0 DNP 2 NR 1 AM
FN 1 OFN Previous FN

Fin RPT CS(Fin) New Title
2 DP 1 DNP 5 NR 1 AM
1 FN OFN Previous FN

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

Read second time
CS(Fin) Adopted

Amended (Title am)

Advanced

Read third time

Return to second for specific amendment

3/7 PASSED EFD Same or
Yeas 27 Yeas
Nays 12 Nays
Excused 1 Excused
Absent 0 Absent

Intent adopted

5/7 Reconsideration made
5/7 Reconsideration ~~not~~ taken up

5/7 PASSED ON RECON. EFD Same ___ or
Yeas 26 Yeas 34
Nays 13 Nays 5
Excused 1 Excused 1
Absent 0 Absent 0

Intent adopted

5/7 Reported correctly engrossed
Signed by Speaker, to the Senate
Suzi Lowell
Chief Clerk of the House

HISTORY IN THE SENATE

1994
5/8
5/10

Read first time and referred to:
5/8 SAFIN

5/10 STA RPT(VS) CS DP 2 NR DNP LOAM
 New Title Same Title Previous FN
FN OFN To FIN

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 the House
Secretary of the Senate

HOUSE-SENATE HISTORY Continued

19

Received from the Senate _____

Concur in Senate amendment
 Y ___ N ___ E ___ A ___
 _____ Efd same or Y ___ N ___ E ___ A ___

Failed to concur Senate amendment, ask Senate recede
 Y ___ N ___ E ___ A ___

Senate failed to \ receded from amendment
 Y ___ N ___ E ___ A ___

CC appointed by House _____ Chair

CC appointed by Senate _____ Chair

(H) Granted Limited Powers of Free Conference

(S) Granted Limited Powers of Free Conference

19

(H) Adopted CC Rpt _____
 Y ___ N ___ E ___ A ___
 _____ Efd same or Y ___ N ___ E ___ A ___

(S) Adopted CC Rpt _____
 Y ___ N ___ E ___ A ___
 _____ Efd same or Y ___ N ___ E ___ A ___

To enrolling
 Reported enrolled and sent to Governor

_____ By Governor

Chapter Number _____

Filed with Lieutenant Governor