

HB

32

Alaska State Legislature

WHILE IN SESSION
CAPITOL BUILDING
JUNEAU, ALASKA 99801-1102
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DISTRICT 10

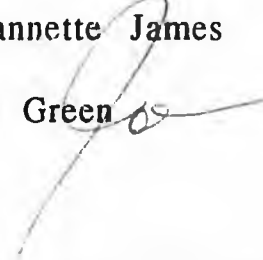


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INTERNATIONAL TRADE & TOURISM
COMMITTEE
ECONOMIC TASK FORCE

Representative Joe Green

MEMORANDUM

TO: Representative Jeannette James

FROM: Representative Joe Green 

DATE: January 25, 1995

RE: HB 32, PFD Administrative Hearings

I would like to request that The House State Affairs Committee hear HB 32, an act relating to PFD administrative hearings, as soon as it can be scheduled. Thank you for your consideration.

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

February 1, 1995

SUBJECT: Administrative proceedings involving permanent fund dividends
(HB 32)

TO: Representative Joe Green

FROM: Tamara Brandt Cook
Director *TBC*

Here is the sectional summary you requested.

Sec. 1. Adds a requirement that an individual pay a \$25 review fee to the Department of Revenue if the individual requests the department to review its decision regarding the individual's eligibility for a permanent fund dividend or authority to claim a dividend on behalf of another. If the individual prevails, either at the administrative level or on appeal, the review fee must be returned to the individual.

TBC:lmb
95-105.lmb

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ECONOMIC TASK FORCE

Representative Joe Green

SPONSOR STATEMENT HB 32

HB 32 addresses a serious problem with the number of appeals filed after an applicant is denied a Permanent Fund Dividend, and the length of time that it takes to process those appeals. As of January 1, 1994 there were 9,579 appeals pending, and as of January 1, 1995 there were approximately 10,000 appeals pending, the highest number since the PFD program's inception. One district 10 resident is still waiting to be heard almost 2 years after filing, and there are people who have waited even longer for their appeals to be processed and resolved. Processing such a large number of appeals is costly as well as being unfair to those who have a legitimate claim. Currently there are 10 permanent full time employees in the Permanent Fund Division and three appeals officers in the commissioners office working on processing the appeals, yet there are still almost 10,000 appeals pending, with no end in sight. Part of the problem is that it only costs a 32 cent stamp to file an appeal. Many people who are clearly unqualified protest their denial simply because they have the opportunity to do so at no risk to themselves. The 1994 denial rate was 64%. In years prior to 1994 the percentage rate of denials has been significantly higher.

HB 32 would implement a \$25 filing fee for individuals protesting the denial of their PFD application (the department will adopt a regulation to allow indigent individuals to be exempt from the fee). The filing fee would be refundable if their appeal is successful, and non-refundable if the denial is upheld. It is anticipated that the implementation of a filing fee would discourage clearly unqualified individuals from appealing, thereby reducing costs which are deducted from the amount of the dividend, and making the appeals process significantly shorter for legitimate claims.

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. HB 32

Revision Date: _____ Dept. Affected: Department of Revenue
 Title: PFD Administrative Proceedings BRU: Permanent Fund Dividend Division
 Component: Permanent Fund Dividend Division
 Sponsor: Representative GREEN
 Requester: House State Affairs COMPONENT SERIAL NO. 981

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES		(7.9)	(52.7)	(97.5)	(142.3)	(142.3)
TRAVEL						
CONTRACTUAL					(21.0)	(29.4)
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	(7.9)	(52.7)	(97.5)	(163.3)	(171.7)

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	121.8	129.0	129.0	129.0	129.0	129.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
1050 Dividend Fund		(7.9)	(52.7)	(97.5)	(163.3)	(171.7)
TOTAL	0.0	(7.9)	(52.7)	(97.5)	(163.3)	(171.7)

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

FULL-TIME			(1)	(2)	(3)	(3)
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

See Page 2.

Prepared by: Thomas C. Williams, Director *Thomas C. Williams* Phone: 465-2323
 Division: Permanent Fund Dividend Division Date: 2/6/95
 Approved by Commissioner: *[Signature]* Date: 2/6/95
 Agency: Department of Revenue

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ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND DIVISION

ANALYSIS OF HB 32

As of February 6, 1995

Assumptions

- A. This legislation would be effective in FY 96.
- B. 55% of all appeals received involve bright line issues and 45% of all appeals received involve non-bright line issues. Bright line issues are those that are clearly definable by objective criteria, such as whether an individual was physically present in state during the two previous calendar years or met an application deadline. Non-bright line issues are those that involve issues that are more subjective, such as whether an individual demonstrated an intent to return to Alaska.
- C. The addition of a fee will mean some of those individuals whose denial involved a bright line issue as well as some of those individuals whose denial involved a non-bright line issue will not appeal.
- D. Necessary data processing programming updates to the PFD masterfile computer system would require approximately 4 staff weeks work for PFD Division data processing staff. Other data processing programming projects would be delayed to make time for the initial programming.
- E. Additional data entry and fee processing could be accomplished by current staff, since with the adoption of the appeal fee requirement the total number of appeals received is expected to decline.
- F. See the attached *Projected Revenues Resulting From HB 32* and *Projected Inventory Resulting From HB 32* regarding the number of appeals to be received and the required staffing levels. If these assumptions are correct then:
 - 1. in FY 97 one PFDS II could be reallocated to a PFDS I resulting in a savings of \$7.9. In FY 98, FY 99 and again in FY 00, a PFDS I position could be eliminated each year for an additional savings of \$44.8 each; and
 - 2. funding for one range 22 Formal Hearing Officer in the Commissioner's Office could be reduced to 75% in FY 00, and 65% in FY 01.
- G. To the extent that the number of appeals does not decline as projected, staffing levels could not be reduced as reflected. Similarly, to the extent that the number of appeals declines more than projected, staffing levels might be able to be reduced more than the amount reflected.

Attachments

ALASKA DEPARTMENT OF REVENUE
 PERMANENT FUND DIVIDEND DIVISION
PROJECTED INVENTORY RESULTING FROM HB 32

As of February 6, 1995

	<u>FY95(A)</u>	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
<u>Informal Conference Appeals</u>							
Beginning Appeal Inventory	9,704	8,954	6,714	3,224	984	0	260
Total New Appeals	3,000	5,260	5,260	5,260	5,260	5,260	5,260
Total Resolutions	<u>(3,750)</u>	<u>(7,500)</u>	<u>(8,750)</u>	<u>(7,500)</u>	<u>(6,244)</u>	<u>(5,000)</u>	<u>(5,000)</u>
Ending Inventory	<u>8,954</u>	<u>6,714</u>	<u>3,224</u>	<u>984</u>	<u>0</u>	<u>260</u>	<u>520</u>
<u>Formal Hearing Appeals</u>							
Beginning Appeal Inventory	978	988	735	509	282	55	4
Total New Appeals	535	447	473	473	473	473	473
Total Resolutions	<u>(525)</u>	<u>(700)</u>	<u>(700)</u>	<u>(700)</u>	<u>(700)</u>	<u>(525)</u>	<u>(455)</u>
Ending Inventory	<u>988</u>	<u>735</u>	<u>509</u>	<u>282</u>	<u>55</u>	<u>4</u>	<u>22</u>
<u>Staffing Levels</u>							
Permanent Fund Dividend Division							
Informal Conference Staff	6	6	7	6	5	4	4
Formal Hearing Staff	2	2	1	1	1	1	1
Total Permanent Fund Dividend Division Staff	8	8	8	7	6	5	5
Commissioner's Office Formal Hearing Staff funded by PFD Division	<u>1.5</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>0.75</u>	<u>0.65</u>

(A) Beginning Inventory for FY95 is as of January 1, 1995

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. HB 400

Revision Date: 03-10-94	Dept. Affected: Revenue
Title: PFD Administrative Proceedings	BRI: Permanent Fund Dividend
Sponsor: Rep. GREEN	Component: Permanent Fund Dividend
Requestor: House Finance Committee	COMPONENT SERIAL NO. 0 8 1

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	-0-	(7.9)	(52.7)	(187.1)	(187.1)	(187.1)
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	7.5	(86.6)	(86.6)	(86.6)	(86.6)	(86.6)
SUPPLIES	-0-	-0-	-0-	-0-	-0-	-0-
EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	7.5	(94.5)	(139.3)	(273.7)	(273.7)	(273.7)
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE FUND SOURCE: 1050	121.8	121.8	129.0	129.0	129.0	129.0

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (Dividend Fund 1050)	7.5	(94.5)	(139.3)	(273.7)	(273.7)	(273.7)
TOTAL	7.5	(94.5)	(139.3)	(273.7)	(273.7)	(273.7)

POSITIONS:

FULL-TIME			(1)	(4)	(4)	(4)
PART-TIME						
TEMPORARY						

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

ANALYSIS:

See Pages 2 through 4, as well as the attachments.

Prepared by:	Thomas C. Williams	Phone: 465-2323
Division:	Permanent Fund Dividend	Date: 03-10-94
Approved by Commissioner:		Date: 3/10/94
Agency:	Department of Revenue	

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ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND DIVISION

ANALYSIS OF HB 400

As of March 10, 1994

Assumptions

- A. This Legislation would be effective in FY95.
- B. 55% of all appeals received involve bright line issues and 45% of all appeals received involve non-bright line issues. Bright line issues are those that are clearly definable by objective criteria, such as whether an individual was physically present in state during the two previous calendar years or met an application deadline. Non-bright line issues are those that involve issues that are more subjective, such as whether an individual demonstrated an intent to return to Alaska.
- C. The addition of a fee will mean some of those individuals whose denial involved a bright line issue as well as some of those individuals whose denial involved a non-bright line issue will not appeal.
- D. The Department would adopt regulations to:
 - 1. allow an indigent individual to be exempt from the fee and outline the specific requirements for qualifying for such an exemption;
 - 2. require payment of the fee by checks or money orders only (no cash payments);
 - 3. consider any appeal to be invalid if
 - a. the appeal was not accompanied by the fee;
 - b. an insufficient amount was submitted;
 - c. accompanied by a cash payment; or
 - d. which the check was returned for non-sufficient funds; and
 - 4. make it clear that the Department would not issue receipts over the counter;
- E. The PFD Division would continue to receive the vast majority of appeals and the associated fees in the mail. The Anchorage and Juneau Dividend Information Offices would receive and accept a relatively small number of appeals and the associated fees across the counter. The Information Offices would forward all appeals and fees to the Dividend Appeals unit for processing;
- F. The PFD Masterfile Computer System would be modified:
 - 1. adding a field to indicate whether the applicant was exempt from the fee as the result of indigence or if not exempt whether the fee actually accompanied the appeal;

ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND DIVISION

ANALYSIS OF HB 400

As of March 10, 1994

2. to send a redesigned computer generated appeal receipt letter not only advising the applicant that their appeal has been received, but whether a required fee in the appropriate amount was included. If the fee was not included or the amount was less than the required fee, the receipt letter would advise an applicant that the appeal would not be valid unless the Department received the additional amount within 30 days of the date of the notice. It would also advise the applicant that if they did not send in the additional amount or request in writing a return of the insufficient amount within 30 days of the date of the notice that the fee would be forfeited. If an appellant's check was returned for non-sufficient funds, the Department would send the appellant a notice advising an applicant that the appeal would be invalidated unless the Department received the additional amount within 30 days of the date of the notice.
 3. automatically refund fees when an appeal decision overturned the original denial; and
 4. produce a daily reconciliation report for fee receipts.
- G. Necessary data processing programming updates to the PFD System Masterfile would require approximately 3 weeks work at a contractual services cost estimated to not exceed \$7,500 in FY95.
- H. Additional data entry and fee processing could be accomplished by current staff, since with the adoption of the appeal fee requirement the total number of appeals received is expected to decline.
- I. See the attachments for the assumptions regarding the number of appeals to be received and the required staffing levels. If these assumptions are correct then:
1. In FY96 one PFDS II could be reallocated to a PFDS I resulting in a savings of \$7.9. In FY97 a PFDS I position could be eliminated for an additional savings of \$44.8. Starting in FY98 three more PFDS I positions could be eliminated for an additional savings of \$134.4.
 2. Starting in FY96 funding for one Formal Hearing Officer in the Commissioner's Office could be eliminated.
- J. To the extent that the number of appeals does not decline as projected, staffing levels could not be reduced as reflected. Similarly, to the extent that the number of appeals declines more than projected, staffing levels might be able to be reduced more than the amount reflected.

ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND DIVISION

ANALYSIS OF HB 400

As of March 10, 1994

Attachments: *Projected Revenues Resulting From HB 400*
Projected Inventory Resulting From HB 400
FY91 - FY94 Appeals Statistics
Appeal Status Summary Report
Age of Unresolved Appeals

ALASKA DEPARTMENT OF REVENUE
 PERMANENT FUND DIVIDEND DIVISION
PROJECTED REVENUES RESULTING FROM HB 400

As of March 10, 1994

	<u>FY 94</u>		<u>FY95</u>	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
	<u>7 Mos</u>	<u>Annualized</u>						
<u>Informal Conference Appeals</u>								
Beginning Appeal Inventory	7,974	7,974						
Appeals Received without a fee	6,339	9,339	8,500	8,000	8,000	8,000	8,000	8,000
Decisions Issued	4,545	7,791						
Ending Appeal Inventory	9,768	9,522						
Bright Line Issue Appeals Received without a fee (55%)	3,486	5,136	4,675	4,400	4,400	4,400	4,400	4,400
Non-Bright Line Issue Appeals Received (45%)	2,853	4,203	3,825	3,600	3,600	3,600	3,600	3,600
Bright Line Issue Appeals with Fee (50% of those without a fee)			2,338	2,200	2,200	2,200	2,200	2,200
Non-Bright Line Issue Appeals with Fee (85% of those without a fee)			3,251	3,060	3,060	3,060	3,060	3,060
Total Appeals with Fee			5,589	5,260	5,260	5,260	5,260	5,260
Amount Collected			\$139,725	\$131,500	\$131,500	\$131,500	\$131,500	\$131,500
Projected Overturn Rate	35%	30%	20%	15%	10%	10%	10%	10%
Amount Refunded			\$27,950	\$19,725	\$13,150	\$13,150	\$13,150	\$13,150
Amount Retained at Informal before Formal Overturns			\$111,775	\$111,775	\$118,350	\$118,350	\$118,350	\$118,350
<u>Formal Hearing Appeals</u>								
Projected Appeal Rate with fee		16%	10%	10%	10%	10%	10%	10%
Beginning Appeal Inventory	978	978						
Appeals Received	749	1,284	447	447	473	473	473	473
Decisions Issued	698	1,197						
Ending Appeal Inventory	1,029	1,065						
Amount Collected			\$11,175	\$11,175	\$11,825	\$11,825	\$11,825	\$11,825
Projected Overturn Rate	11%	8%	5%	5%	5%	5%	5%	5%
Amount of Formal Hearing Fee Refunded			\$550	\$550	\$600	\$600	\$600	\$600
Amount of Related Informal Conference Fee Refunded			\$550	\$550	\$600	\$600	\$600	\$600
Amount Retained at Formal			\$10,625	\$10,625	\$11,225	\$11,225	\$11,225	\$11,225
<u>Net Retained</u>			\$121,850	\$121,850	\$128,975	\$128,975	\$128,975	\$128,975

ALASKA DEPARTMENT OF REVENUE
 PERMANENT FUND DIVIDEND DIVISION
PROJECTED INVENTORY RESULTING FROM HB 400

As of March 10, 1994

	<u>FY94(A)</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
<u>Informal Conference Appeals</u>							
Beginning Appeal Inventory	9,768	9,522	7,111	3,371	631	891	1,151
Total New Appeals	3,000	5,589	5,260	5,260	5,260	5,260	5,260
Total Resolutions	<u>(3,246)</u>	<u>(8,000)</u>	<u>(9,000)</u>	<u>(8,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>
Ending Inventory	<u>9,522</u>	<u>7,111</u>	<u>3,371</u>	<u>631</u>	<u>891</u>	<u>1,151</u>	<u>1,411</u>
<u>Formal Hearing Appeals</u>							
Beginning Appeal Inventory	978	1,014	261	108	0	0	0
Total New Appeals	535	447	447	473	473	473	473
Total Resolutions	<u>(499)</u>	<u>(1,200)</u>	<u>(600)</u>	<u>(581)</u>	<u>(473)</u>	<u>(473)</u>	<u>(473)</u>
Ending Inventory	<u>1,014</u>	<u>261</u>	<u>108</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Staffing Levels</u>							
Permanent Fund Dividend Division							
Informal Conference Staff	6	6	7	6	3	3	3
Formal Hearing Staff	2	2	1	1	1	1	1
Total Permanent Fund Dividend Division Staff	8	8	8	7	4	4	4
Commissioner's Office Formal Hearing Staff funded by PFD Division	2	2	1	1	1	1	1

(A) Beginning Inventory for FY94 is as of February 1, 1994

ALASKA DEPARTMENT OF REVENUE
 PERMANENT FUND DIVIDEND DIVISION
FY91 - FY94 APPEAL STATISTICS
 Through February 1, 1994

	<u>FY 94</u>	<u>FY 93</u>	<u>FY 92</u>	<u>FY 91</u>
<u>Informal Conference Appeals</u>				
Decisions Issued	4,545	9,337	4,912	4,625
Denials Overturned	1,598	2,309	1,859	1,378
Overturn Rate	35%	25%	38%	30%
Ending Appeal Inventory	9,768	7,974	7,679	5,167
Age of Oldest Appeal in Inventory in Months	29	20	19	15
<u>Formal Hearing Appeals</u>				
Decisions Issued	698	1,031	712	433
Denials Overturned	74	51	128	61
Overturn Rate	11%	5%	18%	14%
Ending Appeal Inventory	1,029	978	334	610
Age of Oldest Appeal in Inventory in Months	15	7	12	8

Notes

The relatively high informal conference overturn rate for the first seven months of FY94 is the result of:

1. applicants incorrectly answering questions on the revised 1993 Adult Supplemental Schedule, such as those pertaining to motor vehicle exemptions and out-of-state employment;
2. a question on the revised 1993 Adult Supplemental Schedule regarding fish and game licenses which needed to be more specific (this has been corrected on the 1994 Adult Supplemental Schedule);
3. a refinement of the working out-of-state policy which allowed a number of previously issued denials to be overturned; and
4. the PFD Division's efforts to resolve obvious errors as quickly as possible, artificially inflating the overturn rate during the first half of the fiscal year.

The 15 month old formal hearing appeal in FY94 relates to an appeal placed on hold pending the decision of the Superior Court in a related case.

ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND PROGRAM
APPEAL STATUS SUMMARY
(A-1) RPFEN250

APPLICATION YEAR													
APPEAL STATUS	TOTAL	1993	1992	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982
INFORMAL	9,768	5,590	3,185	569	250	105	43	22	3	1	0	0	0
PLACING AT INFORMAL	0	0	0	0	0	0	0	0	0	0	0	0	0
FORMAL	312	29	56	109	51	36	15	10	3	1	1	0	1
FORMAL HEARING HELD	495	7	102	191	106	43	17	13	9	2	2	2	3
IN TION TO DISMISS	219	16	50	54	36	28	8	6	5	4	4	4	4
RECONSIDERATION	0	0	0	0	0	0	0	0	0	0	0	0	0
SUPERIOR COURT	94	0	5	12	19	22	10	7	7	6	3	1	2
SUPREME COURT	1	0	0	0	0	0	0	1	0	0	0	0	0
TOTAL UNRESOLVED	10,809	5,642	3,398	935	460	234	93	59	27	14	10	7	10
INFORMAL	11,893	734	1,120	1,059	405	213	140	349	530	318	2,863	1,991	2,171
DEPARTMENT FORMAL WITHDRAWAL	549	3	89	127	54	33	18	26	56	17	56	35	35
FORMAL	298	0	16	35	46	41	15	23	10	4	43	21	44
SUPERIOR COURT	8	0	0	0	3	4	0	0	0	0	0	0	1
SUPREME COURT	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RESOLVED WITH DENIAL OVERTURNED	12,748	737	1,225	1,221	508	291	173	398	596	339	2,962	2,047	2,251
LATE APPEAL	624	0	0	0	0	0	0	0	0	105	239	132	148
INFORMAL	20,480	560	1,495	2,906	3,334	2,055	2,065	1,048	2,553	1,296	1,740	594	754
FORMAL	4,326	5	313	431	636	586	669	414	440	251	225	165	191
SUPERIOR COURT	143	0	0	1	6	14	36	26	20	12	11	10	7
SUPREME COURT	5	0	0	0	0	0	0	0	0	2	0	0	3
TOTAL RESOLVED WITH DENIAL UPHELD	25,578	565	1,808	3,418	3,976	2,655	2,770	1,488	3,013	1,666	2,215	901	1,103
TOTAL APPEAL	49,215	6,944	6,431	5,574	4,944	3,180	3,036	1,945	3,636	2,019	5,187	2,955	3,364
INVALID APPEAL CODES	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RECORDS WITH APPEAL STATUS	49,215	6,944	6,431	5,574	4,944	3,180	3,036	1,945	3,636	2,019	5,187	2,955	3,364

ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND PROGRAM
AGE OF UNRESOLVED APPEALS
(A-84) BREEN200

AGE OF UNRESOLVED INFORMAL CONFERENCE APPEALS

INFORMAL CONFERENCE APPEALS

AGE OF APPEAL	TOTAL	1993	1992	1991	1990	1982-89
OVER 12 MONTHS	2,636	0	2,220	305	52	59
9 TO 12 MONTHS	1,109	0	737	165	136	71
6 TO 9 MONTHS	1,154	879	128	70	37	30
3 TO 6 MONTHS	1,903	1,866	20	7	3	7
LESS THAN 3 MONTHS	2,975	2,844	80	22	22	7
TOTAL UNRESOLVED INFORMAL CONFERENCE APPEALS	9,767	5,589	3,185	569	250	174

AGE OF UNRESOLVED FORMAL HEARING AND COURT APPEALS

FORMAL HEARING AND COURT APPEALS

AGE OF APPEAL	TOTAL	1993	1992	1991	1990	1982-89
OVER 12 MONTHS	19	0	5	4	4	6
9 TO 12 MONTHS	12	0	1	1	1	9
6 TO 9 MONTHS	56	0	11	11	13	21
3 TO 6 MONTHS	328	6	83	122	58	59
LESS THAN 3 MONTHS	611	46	108	216	115	126
TOTAL UNRESOLVED FORMAL HEARING AND COURT APPEALS	1,026	52	208	354	191	221

RECORDS WITH INVALID APPEAL DATES 1

9-LS0161NCL
Cook
2/8/95

CS FOR HOUSE BILL NO. 32()
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE GREEN

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to administrative proceedings involving a determination of eligibility
2 for a permanent fund dividend or authority to claim a dividend on behalf of
3 another."

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

5 * Section 1. AS 43.23.015(g) is amended to read:

6 (g) If an individual is aggrieved by a decision of the department determining the
7 individual's eligibility for a permanent fund dividend or the individual's authority to claim
8 a permanent fund dividend on behalf of another, the individual may, upon payment of
9 a \$25 appeal fee, request the department to review its decision. If the individual is
10 aggrieved by the decision of the department after all administrative proceedings,
11 the individual may appeal that decision to the superior court in accordance with
12 AS 44.62.560. An appeal to the court under this section does not entitle the aggrieved
13 individual to a trial de novo. The appeal shall be based on the record of the administrative

1 proceeding from which appeal is taken and the scope of appeal is limited to matters
2 contained in the record of the administrative proceeding. If, as a result of an
3 administrative proceeding or a court appeal, the individual prevails, the \$25 appeal
4 fee shall be returned to the individual by the department.

5 * Sec. 2. AS 43.23.015 is amended by adding a new subsection to read:

6 (i) An indigent individual may apply for a waiver of the appeal fee required
7 under (g) of this section. The department shall prescribe and furnish a waiver application
8 form for that purpose. The department shall grant the waiver if the individual is a
9 member of a family with an income equal to or less than the federal poverty guidelines
10 for Alaska set by the United States Department of Health and Human Services for the
11 year immediately preceding the year the waiver application is submitted to the
12 department.

Alaska State Legislature

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DISTRICT 10

CHAIR, OIL & GAS COMMITTEE
VICE CHAIR, LABOR & COMMERCE
COMMITTEE
JUDICIARY COMMITTEE
RESOURCES COMMITTEE
INTERNATIONAL TRADE & TOURISM
COMMITTEE
ECONOMIC TASK FORCE

Representative Joe Green

Memorandum

TO: Chairman James and Members,
House State Affairs Committee

FROM: Representative Joe Green

DATE: February 9, 1995

RE: CSHB 32 Work Draft Changes

*OK for CS final
Shirley*

In response to questions raised during the February 7th hearing on HB32 concerning the definition of "indigent", I propose the following changes be made:

Page 2, line 5 add:

Sec. 2. AS 43.23.015 is amended by adding a new subsection to read:

(i) An indigent individual may apply for a waiver of the appeal fee required under (g) of this section. The department shall prescribe and furnish a form for that purpose. The department shall grant the waiver if during the year immediately preceding the year the waiver application is submitted to the department, the individual was a member of a family with an income equal to or less than the federal poverty guidelines for Alaska set by the United States Department of Health and Human Services.

Thank you for your consideration.

designated above at the following address.

OMB Reports Management Branch, New Executive Office Building, room 3208, Washington, DC 20508.

Dated: January 28, 1994

Dennis P. Williams,

Deputy Assistant Secretary, Budget

[FR Doc. 94-3100 Filed 2-9-94; 8:45 am]

BILLING CODE 0160-04-M

Annual Update of the HHS Poverty Guidelines

AGENCY: Department of Health and Human Services.

ACTION: Notice.

SUMMARY: This notice provides an update of the HHS poverty guidelines to account for last (calendar) year's increase in prices as measured by the Consumer Price Index.

EFFECTIVE DATE: These guidelines will have effect on the day they are published (unless an office administering a program using the guidelines specifies a different effective date for that particular program).

ADDRESSES: Office of the Assistant Secretary for Planning and Evaluation, Department of Health and Human Services (HHS), Washington, D.C. 20201.

FOR FURTHER INFORMATION CONTACT: For information about how the poverty guidelines are used in a particular program, contact the Federal (or other) office which is responsible for that program.

For general information about the poverty guidelines (but not for information about how they are used in a particular program), contact Gordon Fisher, Office of the Assistant Secretary for Planning and Evaluation, HHS—telephone: (202) 690-6141.

For information about the Hill-Burton Uncompensated Services Program (no-fee or reduced-fee health care services at certain hospitals and other health care facilities for certain persons unable to pay for such care), contact the Office of the Director, Division of Facilities Compliance, HHS—telephone: (301) 443-5658. The Division of Facilities Compliance notes that as set by 42 CFR 124.505(b), the effective date of this update of the poverty guidelines for facilities obligated under the Hill-Burton Uncompensated Services Program is sixty days from the date of this publication.

Under a recent amendment to the Older Americans Act, the figures in this notice are the figures that area agencies on aging should use to determine

"greatest economic need" for Administration on Aging programs. For information about those programs, contact Donald Fowles, Administration on Aging, HHS—telephone: (202) 619-2614.

For information about the Department of Labor's Lower Living Standard Income Level (an alternative eligibility criterion with the poverty guidelines for certain Job Training Partnership Act programs), contact Hugh Davies, Office of Employment and Training Programs, U.S. Department of Labor—telephone: (202) 219-6580.

For information about the number of persons in poverty or about the Census Bureau (statistical) poverty thresholds, contact Kathleen Short, Chief, Poverty and Wealth Statistics Branch, U.S. Bureau of the Census—telephone: (301) 763-8578.

1994 POVERTY GUIDELINES FOR ALL STATES (EXCEPT ALASKA AND HAWAII) AND THE DISTRICT OF COLUMBIA

Size of family unit	Poverty guideline
1	57,360
2	9,840
3	12,320
4	14,800
5	17,280
6	19,760
7	22,240
8	24,720

For family units with more than 8 members, add \$2,480 for each additional member. (The same increment applies to smaller family sizes also, as can be seen in the figures above.)

1994 POVERTY GUIDELINES FOR ALASKA

Size of family unit	Poverty guideline
1	\$9,200
2	12,300
3	15,400
4	18,500
5	21,600
6	24,700
7	27,800
8	30,900

For family units with more than 8 members, add \$3,100 for each additional member. (The same increment applies to smaller family sizes also, as can be seen in the figures above.)

1994 POVERTY GUIDELINES FOR HAWAII

Size of family unit	Poverty guideline
1	\$8,470
2	11,320
3	14,170
4	17,020
5	19,870
6	22,720
7	25,570
8	28,420

For family units with more than 8 members, add \$2,850 for each additional member. (The same increment applies to smaller family sizes also, as can be seen in the figures above.)

The preceding figures are the 1994 update of the poverty guidelines required by sections 652 and 673(2) of the Omnibus Budget Reconciliation Act (OBRA) of 1981 (Pub. L. 97-35). As required by law, this update reflects last year's change in the Consumer Price Index (CPI-U); it was done using the same procedure used in previous years.

Section 673(2) of OBRA-1981 (42 U.S.C. 9902(2)) requires the use of the poverty guidelines as an eligibility criterion for the Community Services Block Grant program, while section 652 (42 U.S.C. 9847) requires the use of the poverty guidelines as an eligibility criterion for the Head Start program. The poverty guidelines are also used as an eligibility criterion by a number of other Federal programs (both HHS and non-HHS). When such programs give an OBRA-1981 citation for the poverty guidelines, they cite section 673(2).

The poverty guidelines are a simplified version of the Federal Government's statistical poverty thresholds used by the Bureau of the Census to prepare its statistical estimates of the number of persons and families in poverty. The poverty guidelines issued by the Department of Health and Human Services are used for administrative purposes—for instance, for determining whether a person or family is financially eligible for assistance or services under a particular Federal program. The poverty thresholds are used primarily for statistical purposes. Since the poverty guidelines in this notice—the 1994 guidelines—reflect price changes through calendar year 1993, they are approximately equal to the poverty thresholds for calendar year 1993 which the Census Bureau will publish in late summer 1994.

In certain cases, as noted in the relevant authorizing legislation or program regulations, a program uses the

Alaska State Legislature

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Representative Joe Green

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FROM: Representative Joe Green 

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Thank you for your consideration.

Organization Reference Chart

Section of 1984 Code	Description of organization	General nature of activities	Application Form No.	Annual return required to be filed	Contributions allowable
501(c)(1)	Corporations Organized Under Act of Congress (Including Federal Credit Unions)	Instrumentalities of the United States	No Form	None	Yes, if made for exclusively public purposes
501(c)(2)	Title Holding Corporation For Exempt Organization	Holding title to property of an exempt organization	1024	990 ¹	No ²
501(c)(3)	Religious, Educational, Charitable, Scientific, Literary, Testing for Public Safety, to Foster National or International Amateur Sports Competition, or Prevention of Cruelty to Children or Animals Organizations	Activities of nature implied by description of class of organization	1023	990 ¹ or 990-PF ¹	Generally, Yes
501(c)(4)	Civic Leagues, Social Welfare Organizations, and Local Associations of Employees	Promotion of community welfare; charitable, educational or recreational	1024	990 ¹	Generally, No ²
501(c)(5)	Labor, Agricultural, and Horticultural Organizations	Educational or instructive, the purpose being to improve conditions of work, and to improve products and efficiency	1024	990 ¹	No ²
501(c)(6)	Business Leagues, Chambers of Commerce, Real Estate Boards, Etc.	Improvement of business conditions of one or more lines of business	1024	990 ¹	No ²
501(c)(7)	Social and Recreation Clubs	Pleasure, recreation, social activities	1024	990 ¹	No ²
501(c)(8)	Fraternal Beneficiary Societies and Associations	Lodge providing for payment of life, sickness, accident, or other benefits to members	1024	990 ¹	Yes, if for certain Sec. 501(c)(3) purposes
501(c)(9)	Voluntary Employees' Beneficiary Associations	Providing for payment of life, sickness, accident or other benefits to members	1024	990 ¹	No ²
501(c)(10)	Domestic Fraternal Societies and Associations	Lodge devoting its net earnings to charitable, fraternal, and other specified purposes. No life, sickness, or accident benefits to members	1024	990 ¹	Yes, if for certain Sec. 501(c)(3) purposes
501(c)(11)	Teachers' Retirement Fund Associations	Teachers' association for payment of retirement benefits	No Form ³	990 ¹	No ²
501(c)(12)	Benevolent Life Insurance Associations, Mutual Ditch or Irrigation Companies, Mutual or Cooperative Telephone Companies, Etc.	Activities of a mutually beneficial nature similar to those implied by the description of class of organization	1024	990 ¹	No ²
501(c)(13)	Cemetery Companies	Burials and incidental activities	1024	990 ¹	Generally, Yes
501(c)(14)	State Chartered Credit Unions, Mutual Reserve Funds	Loans to members	No Form ³	990 ¹	No ²
501(c)(15)	Mutual Insurance Companies or Associations	Providing insurance to members substantially at cost	1024	990 ¹	No ²
501(c)(16)	Cooperative Organizations to Finance Crop Operations	Financing crop operations in conjunction with activities of a marketing or purchasing association	No Form ³	990 ¹	No ²
501(c)(17)	Supplemental Unemployment Benefit Trusts	Provides for payment of supplemental unemployment compensation benefits	1024	990 ¹	No ²
501(c)(18)	Employee Funded Pension Trust (created before June 25, 1959)	Payment of benefits under a pension plan funded by employees	No Form ³	990 ¹	No ²
501(c)(19)	Post or Organization of Past or Present Members of the Armed Forces	Activities implied by nature of organization	1024	990 ¹	Generally, No ²
501(c)(21)	Black Lung Benefit Trusts	Funded by coal mine operators to satisfy their liability for disability or death due to black lung diseases	No Form ³	990-BL	No ²
501(c)(22)	Withdrawal Liability Payment Fund	To provide funds to meet the liability of employers withdrawing from a multi-employer pension fund	No Form ³	990	No ²
501(c)(23)	Veterans Organization (created before 1880)	To provide insurance and other benefits to veteran	No Form ³	990	Generally, No ²
501(d)	Religious and Apostolic Associations	Regular business activities, Communal religious community	No Form	1065	No ²
501(e)	Cooperative Hospital Service Organizations	Performs cooperative services for hospitals	1023	990 ¹	Yes
501(f)	Cooperative Service Organizations of Operating Educational Organizations	Performs collective investment services for educational organizations	1023	990 ¹	Yes
501(k)	Child Care Organization	Provides care for children	1023	990	Yes
521(a)	Farmers' Cooperative Associations	Cooperative marketing and purchasing for agricultural producers	1028	990-C	No

¹For exceptions to the filing requirement, see Chapter 2 and the Form instructions.

²An organization exempt under a Subsection of Code Sec. 501 other than (c)(3), may establish a charitable fund, contributions to which are deductible. Such a fund must itself meet the requirements of section 501(c)(3) and the related notice requirements of section 508(a).

³Contributions to volunteer fire companies and similar organizations are deductible, but only if made for exclusively public purposes.

⁴Deductible as a business expense to the extent allowed by Code section 192.

⁵Deductible as a business expense to the extent allowed by Code section 194A.

⁶Application is by letter to the key District Director. A copy of the organizing document should be attached and the letter should be signed by an officer.

⁷Contributions to these organizations are deductible only if 90% or more of the organization's members are war veterans.