

HB

132

HOUSE COMMITTEE REPORT

(7)

Date Referred to Committee: March 11, 1999

FURTHER REFERRALS:

Finance

Date of Committee Action: 4/27/99

The STATE AFFAIRS Committee considered:

HB 132

HOUSE BILL NO. 132

PERMANENT FUND ALLOWABLE ABSENCES

"An Act relating to allowable absences from the state for purposes of eligibility for permanent fund dividends; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 132 (STA) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____ APPROVES PREVIOUS: (Dept/Date)

fiscal note(s) _____ fiscal note(s) _____
 zero fiscal note(s) REV zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Jeanette James</i>	✓	✓		
<i>Chal Swallow</i>	✓	✓		
<i>Beth Kettle</i>	✓			
<i>John Colwell</i>			✓	
<i>Bill Hudson</i>				✓
<i>Scott Dyer</i>				✓

CHAIR'S SIGNATURE Jeanette James

1-LS0201
Cook
4/26/99

*NOTE: This CS removes [serving in the Peace Corps] from line 24, page 2.

CS FOR HOUSE BILL NO. 132(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

**Offered:
Referred:**

Sponsor(s): REPRESENTATIVE COWDERY BY REQUEST

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to allowable absences from the state for purposes of eligibility
2 for permanent fund dividends; and providing for an effective date."

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

4 * Section 1. AS 43.23.008 is amended to read:

5 **Sec. 43.23.008. Allowable absences.** (a) Subject to (b) and (c) of this
6 section, an otherwise eligible individual who is absent from the state during the
7 qualifying year remains eligible for a current year permanent fund dividend if the
8 individual was absent

- 9 (1) receiving secondary or postsecondary education on a full-time basis;
- 10 (2) receiving vocational, professional, or other specific education on a
11 full-time basis for which, as determined by the Alaska Commission on Postsecondary
12 Education, a comparable program is not reasonably available in the state;
- 13 (3) serving on active duty as a member of the armed forces of the
14 United States;

1 (4) receiving continuous medical treatment recommended by a licensed
2 physician or convalescing as recommended by the physician that treated the illness if
3 the treatment or convalescence is not based on a need for climatic change;

4 (5) providing care for a parent, spouse, sibling, child, or stepchild with
5 a critical life-threatening illness whose treatment plan, as recommended by the
6 attending physician, requires travel outside the state for treatment at a medical
7 specialty complex;

8 (6) providing care for the individual's terminally ill parent, spouse,
9 sibling, child, or stepchild;

10 (7) settling the estate of the individual's deceased parent, spouse,
11 sibling, child, or stepchild, provided the absence does not exceed 220 cumulative days;

12 (8) serving as a member of the United States Congress;

13 (9) serving on the staff of a member from this state of the United States
14 Congress;

15 (10) serving as an employee of the state in a field office or other
16 location;

17 (11) accompanying a minor who is absent under (4) of this subsection;

18 (12) for employment if

19 (A) in addition to satisfying the residency requirements, the
20 individual is domiciled in the state; and

21 (B) the employer certifies in writing that the absence was a
22 condition of the employment and that the individual was required to work
23 in the state for part of the qualifying year;

24 (13) accompanying another eligible resident who is absent for a reason
25 permitted under this subsection as the spouse, minor dependent, or disabled dependent
26 of the eligible resident;

27 (14) [(13)] for any reason consistent with the individual's intent to
28 remain a state resident, provided the absence or cumulative absences do not exceed

29 (A) 180 days if the individual is not claiming an absence under
30 (1) - (13) [(1) - (12)] of this subsection;

31 (B) 120 days in addition to any absence or cumulative absences

1 individual would have been otherwise eligible for that dividend and applies for that dividend
2 before the end of the 2000 application period on the form prescribed by the Department of
3 Revenue for claiming the dividend under this section.

4 (c) For purposes of (a)(1)(A) of this section, "domiciled" means that the individual
5 has, in the state, a true and permanent home from which the individual has no present
6 intention of moving and to which the individual intends to return whenever the individual is
7 away.

8 * **Sec. 4.** Sections 1 and 2 of this Act take effect January 1, 2000.

9 * **Sec. 5.** Section 3 of this Act takes effect immediately under AS 01.10.070(c).

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

P.O. BOX 110400
JUNEAU, ALASKA 99811-0400
TELEPHONE: (907) 465-2300
FACSIMILE: (907) 465-2389

March 1, 1999

Annette Deal
Office of Representative Cowdery
Room 204, Capitol Building
Juneau, Alaska 99801

Dear Ms. Deal,

As I told you when I last wrote, I asked our data processing staff to pull out all the information that we have on folks who are out of state more than 180 days for business or work reasons. The difficulty is that we do not ask for or receive the precise information you are looking for.

The data that we capture from applications tells us a limited number of things. It will, of course, tell us how many people were denied. It can then tell us of that number, how many were out of state for more than 180 days. And it can tell us, of those, which absence codes they checked. The data below represents people who were denied, and who checked at least one or the other of the absence reasons you asked about.

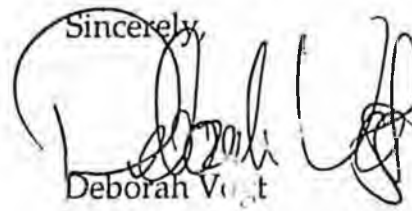
In the 1998 dividend year (which would be reviewing activities in calendar year 1997), 247 people were denied who told us they were outside the state more than 180 days under absence code J. That code (on the back of the application) reads "Seeking employment or employed for a reason other than B, C, E, F, G or H." Those letters refer to other absence codes such as student, military or Congressional service in which out-of-state employment is allowable. An individual who is working outside the state, whether or not for an Alaska business, may check this absence. As a result, it is not possible to distinguish between an individual whose Alaska employer sent her out of Alaska for several months and a person who simply leaves the state and goes outside for more than six months, and works while gone. We also don't know, without examining specific applications, the precise reason a person was denied. It might turn out that the employment was allowable, but that the person was otherwise ineligible. It also doesn't tell us if employment was the only reason the person was absent. The person might have been absent for three or four different reasons.

An additional 126 people told us that they were absent for this reason, but for more than 90 but less than 180 days. For your information, a person in this latter category would remain eligible if his Alaska employer sent him outside for a short time, but would be ineligible if he moved to Seattle and took a full time job, meaning to say permanently, even if he quit and came back in less than 180 days (or, as is more likely, he took the job less than 180 days before the end of the year). The data processing folks retrieved only those who were denied, but we don't know if they were denied for this or some other reason, or, again, if this was their only absence code.

The other absence code that may apply is K. It reads "Other reasons, including business." In 1998, 671 people who were denied checked this code as a reason they were out of state more than 180 days. An additional 84 denied individuals checked this code as a reason for total absences of more than 90 (but less than 180) days. A person whose Alaska employer sent him out of state, or an Alaskan running a business here, might check this absence instead of J if that business took him out of state. But, as you can see by the language, any other absence that is not otherwise listed goes in this category. There are dozens of "other" reasons people leave the state for extended periods. It is not possible, without reviewing hundreds of applications, to give more precise information. And again, an individual might check more than one absence code for a single absence - for example, business and vacation.

In short, most of the information that you specifically asked for just isn't available without reviewing individual applications, and even then applications will be ambiguous. When a person simply checks two codes for an absence (like business and vacation) we can't tell whether the business was 160 days and the vacation two weeks or vice versa. The absence is simply too long and the applicant is denied. For our purposes, both absences are unallowable if they exceed 180 days, so we don't need more precise information.

I'm sorry I can't do better answering your specific questions. Please give me a call if you have any other questions about how the program works or how it could be changed. Should your representative wish to draft legislation that would change the rules, I'd be happy to work with him. But now that the legislature removed the commissioner's discretion to adopt additional allowable absences, we can't change the list.

Sincerely,

Deborah Vest
Deputy Commissioner

From the office of . . . Representative John J. Cowdery

716 West 4th Avenue
Anchorage, AK 99501
907-465-3879 phone
907-465-2069 fax

MEMORANDUM

TO: Representative Jeannette James, Chair, House State Affairs Committee
FROM: Representative Cowdery *JJC*
DATE: March 15, 1999
RE: House Bill 132

Notes:

Please schedule House Bill 132 for a hearing in State Affairs Committee as the schedule allows.



REPRESENTATIVE SCOTT OGAN

Alaska State Legislature

House District 27 • Palmer • Greater Palmer • Sutton • Chickaloon • Sheep Mountain

MEMORANDUM

TO: Rep. James / Chair State Affairs

From: Rep. Ogan / Sub-Committee Chair

Date: April 11, 1999

Re: HB 132 changes

EPS for SO

*Ogan Chair
Coughlin & Smalley*

The State Affairs subcommittee has worked with the bill sponsor and the Department of Revenue in reviewing House Bill 132 and recommends the following via the attached Committee substitute.

1. Add a domicile requirement to those who would seek a dividend under the proposed employment exemption.
2. Add the current statutory definition of domicile as the true and permanent home of the individual to the definition section.
3. Remove the year 1997 from the retroactively clause.
4. Add a new, numbered exemption for those who serve in the Peace Corps

1-LS0202NH
Cook
4/8/99

CS FOR HOUSE BILL NO. 132()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE COWDERY BY REQUEST

A BILL

FOR AN ACT ENTITLED

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2 for permanent fund dividends; and providing for an effective date."

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

4 * Section 1. AS 43.23.008 is amended to read:

5 Sec. 43.23.008. Allowable absences. (a) Subject to (b) and (c) of this
6 section, an otherwise eligible individual who is absent from the state during the
7 qualifying year remains eligible for a current year permanent fund dividend if the
8 individual was absent

9 (1) receiving secondary or postsecondary education on a full-time basis;

10 (2) receiving vocational, professional, or other specific education on a
11 full-time basis for which, as determined by the Alaska Commission on Postsecondary
12 Education, a comparable program is not reasonably available in the state;

13 (3) serving on active duty as a member of the armed forces of the
14 United States;

1 (4) receiving continuous medical treatment recommended by a licensed
2 physician or convalescing as recommended by the physician that treated the illness if
3 the treatment or convalescence is not based on a need for climatic change;

4 (5) providing care for a parent, spouse, sibling, child, or stepchild with
5 a critical life-threatening illness whose treatment plan, as recommended by the
6 attending physician, requires travel outside the state for treatment at a medical
7 specialty complex;

8 (6) providing care for the individual's terminally ill parent, spouse,
9 sibling, child, or stepchild;

10 (7) settling the estate of the individual's deceased parent, spouse,
11 sibling, child, or stepchild, provided the absence does not exceed 220 cumulative days;

12 (8) serving as a member of the United States Congress;

13 (9) serving on the staff of a member from this state of the United States
14 Congress;

15 (10) serving as an employee of the state in a field office or other
16 location;

17 (11) accompanying a minor who is absent under (4) of this subsection;

18 (12) for employment if

19 (A) in addition to satisfying the residency requirements, the
20 individual is domiciled in the state; and

21 (B) the employer certifies in writing that the absence was a
22 condition of the employment and that the individual was required to work
23 in the state for part of the qualifying year;

24 (13) serving in the Peace Corps;

25 (14) accompanying another eligible resident who is absent for a reason
26 permitted under this subsection as the spouse, minor dependent, or disabled dependent
27 of the eligible resident;

28 (15) [(13)] for any reason consistent with the individual's intent to
29 remain a state resident, provided the absence or cumulative absences do not exceed

30 (A) 180 days if the individual is not claiming an absence under
31 (1) - (14) [(1) - (12)] of this subsection;

Rep - Smalley - ^{possibly Corp!}

re: HB 132 - his amend-
ment
probably won't go
anywhere -

will withdraw amendment

^{open} present CS - ^{it} would
be fine with him.

Families would
also qualify
under this
CS !! ??

ask Jeanette -

372

copy bill
"open corp"

1 (B) 120 days in addition to any absence or cumulative absences
2 claimed under (1) or (2) of this subsection if the individual is not claiming an
3 absence under (3) - (14) [(3) - (12)] of this subsection; or

4 (C) 45 days in addition to any absence or cumulative absences
5 claimed under (1) - (14) [(1) - (12)] of this subsection.

6 (b) An individual may not claim an allowable absence under (a)(1) - (14)
7 [(a)(1) - (12)] of this section unless the individual was a resident of the state for at
8 least six consecutive months immediately before leaving the state.

9 (c) An otherwise eligible individual who has been eligible for the immediately
10 preceding 10 dividends despite being absent from the state for more than 180 days in
11 each of the related 10 qualifying years is only eligible for the current year dividend
12 if the individual was absent 180 days or less during the qualifying year. This
13 subsection does not apply to an absence under (a)(8) or (9) of this section or to an
14 absence under (a)(14) [(a)(12)] of this section if the absence is to accompany an
15 individual who is absent under (a)(8) or (9) of this section.

16 * Sec. 2. AS 43.23.008 is amended by adding a new subsection to read:

17 (d) For purposes of (a)(12)(A) of this section, "domiciled" means that the
18 individual has, in the state, a true and permanent home from which the individual has
19 no present intention of moving and to which the individual intends to return whenever
20 the individual is away.

21 * Sec. 3. PERMANENT FUND DIVIDENDS FOR CERTAIN INDIVIDUALS. (a)
22 Notwithstanding other provisions of law, an individual is eligible for the 1998 or 1999
23 dividend if the individual did not receive the dividend because of absence from the state

24 (1) for employment and

25 (A) in addition to satisfying the residency requirements, the individual
26 is domiciled in the state; and

27 (B) the employer certifies in writing that the absence was a condition
28 of the employment and that the individual was required to work in the state for part
29 of the qualifying year; or

30 (2) while accompanying, as the spouse, minor dependent, or disabled
31 dependent, another person who is eligible for that dividend under this section.

1 (b) An individual is eligible for a 1998 or 1999 dividend under this section only if the
2 individual would have been otherwise eligible for that dividend and applies for that dividend
3 before the end of the 2000 application period on the form prescribed by the Department of
4 Revenue for claiming the dividend under this section.

5 (c) For purposes of (a)(1)(A) of this section, "domiciled" means that the individual
6 has, in the state, a true and permanent home from which the individual has no present
7 intention of moving and to which the individual intends to return whenever the individual is
8 away.

9 * Sec. 4. Sections 1 and 2 of this Act take effect January 1, 2000.

10 * Sec. 5. Section 3 of this Act takes effect immediately under AS 01.10.070(c).

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

TONY KNOWLES, GOVERNOR

PLEASE REPLY TO:

1031 WEST 4TH AVENUE, SUITE 200
ANCHORAGE, ALASKA 99501-1994
PHONE: (907) 269-5100
FAX: (907) 276-3697

KEY BANK BUILDING
100 CUSHMAN ST., SUITE 400
FAIRBANKS, ALASKA 99701-4679
PHONE: (907) 451-2811
FAX: (907) 451-2846

P.O. BOX 110300-DIMOND COURT HOU
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600
FAX: (907) 465-6735

February 16, 1999

The Honorable John J. Cowdery
Alaska State Representative
Suite 416, State Capitol Bld..
Juneau, AK 99801

Dear Representative Cowdery:

You have asked that we comment on the propriety of the 180-day absence rule and the distinction in treatment between state employees and those in the private sector as regards allowable absence for eligibility for the Permanent Fund Dividend.

The 180-day rule, as you know, represents a liberalization over the 90-day absence as it was originally written. The Alaska Supreme Court held that it is a reasonable interpretation of the regulation to permit "absences that are not longer in duration than the time actually spent in Alaska." *State, Dep't of Revenue v. Gazaway*, 793 P.2d 1025, 1027 (Alaska 1990). The legislature endorsed that holding this last legislative session when it enacted HB 2, which brought the allowable absences entirely into statute in AS 43.23.008. Sec. 5, ch. 44 SLA 1998.

An employee of the state has a different relationship with the state than does a private sector employee. If the state moves an employee out of state, it does so for a reason that is beneficial to the state. It would make no sense to penalize the employee for providing that benefit. Additionally, an individual employed by the state is presumptively going to return to the state and remain. A private sector employee, on the other hand, provides no benefit to the state, and it cannot be determined what intent to return may be present. There is also the obvious difficulty of determining who in the private sector is out of state actually working. There may be employers who require their employees to work out of state for several years. Someone working at a location outside the state for

The Honorable John J. Cowdery

February 16, 1999

several years may never return. At what point would such a person's eligibility for a PFD end? It would be an immensely difficult a task to track all the people who are out-of-state working, and it would be virtually impossible to tell who of these people may be an otherwise eligible Alaskan.

As to the constitutionality of the distinction, we believe it would pass constitutional muster. It is decided law that a PFD is merely an economic interest, entitled only to the lowest scrutiny. *State v. Anthony*, 810 P.2d 155, 158 Alaska 1991). Under the sliding scale approach to deciding equal protection issues taken by the Alaska Supreme Court, the state is required only to show a rational basis for the distinction drawn. *State v. Erickson*, 574 P.2d 1, 11 (Alaska 1978). I believe the preceding paragraph lays out the basis for the distinction. Then, too, the legislature has ratified the commissioner's former regulation by putting it in statute, again at AS 43.23.008.

I hope this resolves your questions. If you have further questions, please don't hesitate to contact me.

Very truly yours,

BRUCE M. BOTELHO
ATTORNEY GENERAL

By: 
Vincent L. Usera
Assistant Attorney General

VLU:bm
cc: PFD Division



REPRESENTATIVE JOHN J. COWDERY

Sponsor Statement for House Bill 132

The issue is equity. A longtime Alaska resident and constituent of mine was required by his employer to work out-of-state for more than 180 days. His Permanent Fund Dividend was summarily denied for that year. During the appeal process, my constituent was informed that state employees are allowed to work outside the state for more than 180 days and still receive their dividend. Indeed, current laws governing dividends provide special treatment for state workers assigned to duties outside Alaska.

My office inquired into the rationale of this distinction. The Department of Law in a letter dated February 16, 1999 stated, in part, *"If the state moves an employee out of state it does so for a reason that is beneficial to the state... A private sector employee, on the other hand, provides no benefit to the state. . ."*

The Permanent Fund Dividend is derived from our natural resources. The Constitution of the State of Alaska endows the natural resources of the state equally to all residents, not to state employees first. We as a legislature are asked every year to spend millions of dollars to promote and develop a diversified, global private economy. While we encourage private business with one hand, we penalize those who are successful with the other. I firmly believe that the law of our land should reflect the equal value of private and public employees.

This legislation as drafted requires that the applicant meet the residency requirement, work in-state for at least part of the qualifying year, and must have their work-related absence certified, in writing, by their employer as being a condition of employment, i.e. not optional. In addition to criminal statutes that would apply to a fraudulent application, or statement by an employer, AS 43.23.035 already provides that a person making a false statement concerning a dividend application is liable to repay all dividends ever received and becomes ineligible for all future dividends. I believe these penalties are sufficient to prevent this new exemption from being disproportionately abused.

Bradley W. Esary
3920 Alitak Bay Circle
Anchorage, AK 99515

State Affairs Committee hearing on HB 132A.
Prepared Statement for a Conference Call.
March 23, 1999.

I would first like to say that I appreciate the opportunity of presenting my situation to the committee as it pertains to HB 132A.

I am an Alaska Resident. I came to Alaska in 1975 and moved my family to Alaska in June 1976. My intentions have always been to remain an Alaska resident and for the past 23 years I have maintained my only residency in Anchorage.

In 1997, due to a lose of contract on The North Slope, my employer of 18 years assigned me to temporary locations outside of Alaska on a day-off for each day-on basis. A schedule of the various locations and dates are attached. My job with Western Atlas was as a field engineer. As a field engineer, I would travel extensively from each of the various locations listed. At the completion of each assignment my employer would return me to my home in Anchorage.

Because of my work, I was astonished to learn that I would not receive a dividend. I was sent a copy of the statues that stated that unless I was a state worker I would not receive a dividend. I am appalled to know that I would be treated differently and to a lesser degree than a state employee. A change needs to be made in the statues that eliminates discrimination between state and non-state employees and I would appreciate the committee's help in this matter.

Again I would like to thank the committee for taking this time and appreciate the opportunity of presenting my case.

Respectfully,



Bradley W. Esary

1997 Work
Schedule

Schedule:

<u>Begin</u>	<u>End</u>	<u>#days</u>	<u>Assignments</u>
01/04/97	01/30/97	27	Canada
02/15/97	03/12/97	26	Canada
03/29/97	04/23/97	26	Canada
05/10/97	06/05/97	27	Canada
06/27/97	07/24/97	28	Canada
08/31/97	09/26/97	27	West Virginia
11/22/97	12/21/97	30	P.R. China
Total		191	

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

PO BOX 110400
JUNEAU, ALASKA 99811-0400
TELEPHONE: (907) 465-2300
FACSIMILE: (907) 465-2389

March 1, 1999

Annette Deal
Office of Representative Cowdery
Room 204, Capitol Building
Juneau, Alaska 99801

Dear Ms. Deal,

As I told you when I last wrote, I asked our data processing staff to pull out all the information that we have on folks who are out of state more than 180 days for business or work reasons. The difficulty is that we do not ask for or receive the precise information you are looking for.

The data that we capture from applications tells us a limited number of things. It will, of course, tell us how many people were denied. It can then tell us of that number, how many were out of state for more than 180 days. And it can tell us, of those, which absence codes they checked. The data below represents people who were denied, and who checked at least one or the other of the absence reasons you asked about.

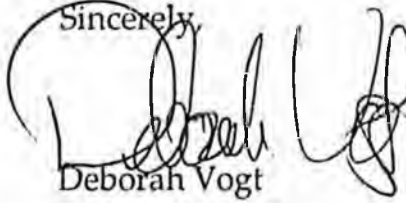
In the 1998 dividend year (which would be reviewing activities in calendar year 1997), 247 people were denied who told us they were outside the state more than 180 days under absence code J. That code (on the back of the application) reads "Seeking employment or employed for a reason other than B, C, E, F, G or H." Those letters refer to other absence codes such as student, military or Congressional service in which out-of-state employment is allowable. An individual who is working outside the state, whether or not for an Alaska business, may check this absence. As a result, it is not possible to distinguish between an individual whose Alaska employer sent her out of Alaska for several months and a person who simply leaves the state and goes outside for more than six months, and works while gone. We also don't know, without examining specific applications, the precise reason a person was denied. It might turn out that the employment was allowable, but that the person was otherwise ineligible. It also doesn't tell us if employment was the only reason the person was absent. The person might have been absent for three or four different reasons.

An additional 126 people told us that they were absent for this reason, but for more than 90 but less than 180 days. For your information, a person in this latter category would remain eligible if his Alaska employer sent him outside for a short time, but would be ineligible if he moved to Seattle and took a full time job, meaning to say permanently, even if he quit and came back in less than 180 days (or, as is more likely, he took the job less than 180 days before the end of the year). The data processing folks retrieved only those who were denied, but we don't know if they were denied for this or some other reason, or, again, if this was their only absence code.

The other absence code that may apply is K. It reads "Other reasons, including business." In 1998, 671 people who were denied checked this code as a reason they were out of state more than 180 days. An additional 84 denied individuals checked this code as a reason for total absences of more than 90 (but less than 180) days. A person whose Alaska employer sent him out of state, or an Alaskan running a business here, might check this absence instead of J if that business took him out of state. But, as you can see by the language, any other absence that is not otherwise listed goes in this category. There are dozens of "other" reasons people leave the state for extended periods. It is not possible, without reviewing hundreds of applications, to give more precise information. And again, an individual might check more than one absence code for a single absence - for example, business and vacation.

In short, most of the information that you specifically asked for just isn't available without reviewing individual applications, and even then applications will be ambiguous. When a person simply checks two codes for an absence (like business and vacation) we can't tell whether the business was 160 days and the vacation two weeks or vice versa. The absence is simply too long and the applicant is denied. For our purposes, both absences are unallowable if they exceed 180 days, so we don't need more precise information.

I'm sorry I can't do better answering your specific questions. Please give me a call if you have any other questions about how the program works or how it could be changed. Should your representative wish to draft legislation that would change the rules, I'd be happy to work with him. But now that the legislature removed the commissioner's discretion to adopt additional allowable absences, we can't change the list.

Sincerely,

Deborah Vogt
Deputy Commissioner

State of Alaska Employees at out-of-state Work Locations

Department	Location	Employee	Job Class Title	Last Hire Date	Status
<i>Commerce and Econ Development</i>					
	Seattle				
		BARNESS, CHERYL A	MARKETING SPECIALIST	04/27/1992	Totally Exempt
		BAUER, GARY	MARKETING ASSISTANT	10/07/1994	Totally Exempt
		DELANOS, LINDA W	DEVELOPMENTAL MANAGER	03/21/1991	Totally Exempt
		DRISCOLL, LINDA M	ASST MARKETING DIRECTOR	03/18/1992	Totally Exempt
		HOGUE, CLAUDIA S	FOODSERVICE DIRECTOR	03/08/1995	Totally Exempt
		JACKSON, J WAIN	DEVELOPMENTAL MANAGER	01/17/1995	Totally Exempt
		KASTANAS, JOHN N.	SR MARKETING SPEC/RES ANALY	05/04/1992	Totally Exempt
		LIKWARTZ, MARYLYN E	ADMINISTRATIVE SUPPORT TEC11	04/01/1998	Totally Exempt
		TARANTINO, STEPHANIE M	MARKETING SPECIALIST	07/06/1994	Totally Exempt
<i>Fish and Game</i>					
	Montana				
		CLARK, JOHN H	FISHERIES SCIENTIST	12/11/1995	Project Long-Term
<i>Office of the Governor</i>					
	Washington, D.C.				
		KATZ, JOHN W	DIR STATE AND FED RELATIONS	01/31/1983	Totally Exempt
		KERTTULA, ANNA M.	POLICY & PROGRAM SPECIALIST	02/02/1998	Totally Exempt
		LOWE, KARA Y.	EXECUTIVE SECRETARY I	07/08/1996	Totally Exempt

**Why Applicants Were Absent From the State
(For Applicants Absent more than 90 days in 1997)**

Dividend application forms ask applicants if they were absent from the state for more than 90 days and 180 days. Reasons why applicants were absent from the state are listed below.

Absence reason	Number of Applicants		
	Adult	Child	Total
Enrolled as a full-time student	8,459	690	9,149
Was on vacation	5,812	611	6,423
Served on active duty in the US Armed Forces	4,419	N/A	4,419
Other reasons	2,595	800	3,395
Accompanied an Alaska resident who was eligible for a PFD	2,106	4,629	6,735
Sought employment out of the state	1,457	N/A	1,457
Cared for a direct relative with a critical life-threatening illness	890	N/A	890
Received continuous medical treatment	460	94	554
Settled the estate of a deceased direct relative	257	N/A	257
Employed by the State of Alaska	54	N/A	54
Served as a volunteer in the Peace Corps	49	N/A	49
Served as a member of Alaska's congressional delegation or staff	45	N/A	45
Was a member of the U.S. National Athletic Team	15	N/A	15
Part of a legal custody agreement	N/A	273	273

N/A - Not Applicable to application type

Note: Applicants may claim more than one type of absence on their application.

Effective for 1999 dividends, absences (over 180 days) for the following reasons are no longer allowable for claiming a dividend:
Serving as a Peace Corps volunteer or member of the U.S. National Athletic Team.

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. HB 132

Revision Date/Time (Note if correction) March 19, 1999 Dept. Affected Revenue
 Title PFD Allowable Absences BRU Revenue Operations
 Component Permanent Fund Dividend
 Sponsor Rep. Cowdery
 Requester HSTA Component Serial No. 981

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year (FY99) cost: 0.0

POSITIONS

Full-time	0					
Part-time	0					
Temporary	0					

ANALYSIS: (Attach a separate page if necessary)

This bill adds an allowable absence for employment out of state if certain criteria are met. In addition, Section 2 gives retroactive payment to individuals who were denied dividends in 1997 and 1998 because of an absence from the state due to employment; and retroactive payment to individuals who were accompanying those employed individuals out of state as their spouse, minor dependent or disabled dependent.

We do not expect these provisions to have a fiscal effect on the Permanent Fund Dividend Program.

Prepared by Nanci A. Jones, Director
 Division Permanent Fund Dividend
 Approved by Wilson L. Condon
 Commissioner
 Agency Department of Revenue

Phone 465-2323
 Date/Time March 19, 1999
 Date March 19, 1999

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Re: fiscal notes

Subject: Re: fiscal notes

Date: Thu, 18 Mar 1999 13:42:10 -0900

From: Shari Kochman <shari_kochman@gov.state.ak.us>

Organization: Alaska Office of the Governor

To: Barbara Cotting <Barbara_Cotting@legis.state.ak.us>

requests are in
thanks.

Barbara Cotting wrote:

>

> *I have scheduled the following bills for hearing in House State Affairs*
> *on March 23 and need fiscal notes:*

>

> *HB 96, Deposits to the Permanent Fund (Revenue)*
> *HB 132, Permanent Fund Allowable Absences (Revenue)*