

SB

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STATE OF ALASKA
2001 LEGISLATIVE SESSION

No. 1
Bill Version: CSSB 193(FIN)
(S) Publish Date: 4/27/01

Revision Date: _____
Title: "An Act making a special appropriation to the Alaska Legislative Council for a study...."
Sponsor: Senate Finance Committee
Requestor: Senate Finance Committee

Department Affected: Legislature
BRU: Legislative Council
Component: Council and Subcommittees
Component Number: 783

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07
PERSONNEL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	200.0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	200.0	0.0	0.0	0.0	0.0	0.0

CAPITAL	0	0	0	0	0	0
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REVENUE FUND SOURCE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0.0	0.0	0.0	0.0	0.0	0.0
FEDERAL FUNDS						
OTHER FUND SOURCE <small>1050-PFD Fund</small>	200.0					
TOTAL	200.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

This legislation appropriates funds to the Legislative Council for a study of the economic and social effects of the permanent fund dividend on the state. The legislation intends that the Legislative Council, in consultation with the DCED, H&SS, and Labor & Workforce Development contract for a study of the economic and social effects of the permanent fund dividend on the state.

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Agency: Legislative Affairs Agency

Date: 4/27/01

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

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CS for Senate Bill 193(FIN)

Version: 22-LS0828\L

"An Act making a special appropriation to the Alaska Legislative Council for a study of the economic and social effects of the permanent fund dividend on the state; and providing for an effective date."

Senate Bill 193 explores state services by directing the Legislative Council to appropriate funds to contract for the preparation of a study of the economic and social effects of the permanent fund dividend.

The intent of the study is to determine the attraction of people to the State of Alaska, because of the permanent fund dividend. The study must include an analysis of the economic, social, and other problems that would be alleviated by extending the durational residency requirement under the dividend program to two years. Any problem associated with the permanent fund dividend will become more evident with the potential increase in employment opportunities that may result from a gas line boom. This could bring thousands of new residents into Alaska who will quickly have an impact on the permanent fund dividend. The study will also determine the effects of seasonal employment on the state.

SB 193 includes a study of the demographic changes, if any on the state and investigate if the permanent fund dividend draws people to the state that would otherwise not migrate to Alaska.

In *Lindly v. Malone* (1990), the court ruled that it is unconstitutional to install a two-year residency requirement under the equal protection clause. However, the court left the door open to explore the possibility of a two-year residency if the state could prove a magnet effect of the permanent fund dividend.

SB 193 directs the Department of Community and Economic Development; the Department of Health and Social Services; and the Department of Labor and Workforce Development to assist in a thorough study on the Permanent Fund Dividend. The Departments shall prepare a report outlining the scope of the study and the conclusion reached. They are to report to the Legislature on or before January 15, 2002.