

SB

58

SENATOR
JOHN J. COWDERY
Anchorage

Committees
Chair: Rules
Chair: Transportation
Chair: World Trade &
State/Federal Relations
Legislative Council



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Senator_John_Cowdery@legis.state.ak.us

SPONSOR STATEMENT SB58

"An act relating to permanent fund dividend program notice requirements and to the ineligibility ... of certain persons sentenced for crimes involving mandatory motor vehicle liability insurance."

Each year hundreds of Alaskans fall victim to uninsured drivers.

State law is clear: drivers must maintain a minimum amount of liability insurance in order to operate a motor vehicle. The purpose of SB58 is to add a conviction for driving without proper insurance to the list of conditions that make a person ineligible for a permanent fund dividend.

A first offense brings a one-year suspension of the PFD.

A second offense brings a five-year suspension of the PFD.

This means the dividend cannot be used to offset fines or debts. Instead, the offender is simply ineligible for the dividend, which leaves the dividend amount in the overall pot to be equally distributed among eligible Alaskans.

Because a permanent fund dividend is not a right, but a privilege, these penalties fall above and beyond all other penalties currently provided for by law.

23-LS0378AD
Cook
2/25/03

CS FOR SENATE BILL NO. 58()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR COWDERY

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to permanent fund dividend program notice requirements and to the
2 ineligibility for permanent fund dividends of certain persons sentenced for crimes
3 involving mandatory motor vehicle liability insurance."

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

5 * Section 1. AS 43.23.005(g) is amended to read:

6 (g) For purposes of applying (d)(1) and (i) of this section, the date the court
7 imposes a sentence or suspends the imposition of sentence shall be treated as the date
8 of conviction. For purposes of applying (d)(2)(B) and (i)(2) of this section, multiple
9 convictions arising out of a single criminal episode shall be treated as a single
10 conviction.

11 * Sec. 2. AS 43.23.005 is amended by adding a new subsection to read:

12 (i) Notwithstanding the provisions of (a) - (c) of this section, an individual is
13 not eligible for a permanent fund dividend for a dividend year when

14 (1) during the qualifying year, the individual was sentenced as a result

1 of conviction in this state of a misdemeanor under AS 28.22.011, 28.22.021, or
2 28.22.051 involving mandatory motor vehicle liability insurance; or

3 (2) during the qualifying year or the four years immediately before the
4 qualifying year, the individual was sentenced as a result of the conviction in this state
5 of a misdemeanor under AS 28.22.011, 28.22.021, or 28.22.051 involving mandatory
6 motor vehicle liability insurance if the individual has been convicted of a prior
7 misdemeanor under AS 28.22.011, 28.22.021, or 28.22.051.

8 * Sec. 3. AS 43.23.028(a) is amended to read:

9 (a) By October 1 of each year, the commissioner shall give public notice of
10 the value of each permanent fund dividend for that year and notice of the information
11 required to be disclosed under (3) of this subsection. In addition, the stub attached to
12 each individual dividend check and direct deposit advice must

13 (1) disclose the amount of each dividend attributable to income earned
14 by the permanent fund from deposits to that fund required under art. IX, sec. 15,
15 Constitution of the State of Alaska;

16 (2) disclose the amount of each dividend attributable to income earned
17 by the permanent fund from appropriations to that fund and from amounts added to
18 that fund to offset the effects of inflation;

19 (3) disclose the amount by which each dividend has been reduced due
20 to each appropriation from the dividend fund, including amounts to pay the costs of
21 administering the dividend program and the hold harmless provisions of
22 AS 43.23.075;

23 (4) include a statement that an individual is not eligible for a dividend
24 when

25 (A) during the qualifying year, the individual was convicted in

26 this state of a

27 (i) felony; or

28 (ii) misdemeanor under AS 28.22.011, 28.22.021, or

29 28.22.051 involving mandatory motor vehicle liability insurance;

30 (B) during all or part of the qualifying year, the individual was
31 incarcerated as a result of the conviction in this state of a

1 (i) felony; or

2 (ii) misdemeanor if the individual has been convicted of
3 a prior felony or two or more prior misdemeanors; or

4 (C) during the qualifying year or the four years
5 immediately before the qualifying year, the individual was sentenced as a
6 result of conviction in this state of a misdemeanor under AS 28.22.011,
7 28.22.021, or 28.22.051 involving mandatory motor vehicle liability
8 insurance if the individual has been convicted of a prior misdemeanor
9 under AS 28.22.011, 28.22.021, or 28.22.051;

10 (5) include a statement that the legislative purpose for making
11 individuals listed under (4) of this subsection ineligible is to

12 (A) obtain reimbursement for some of the costs imposed on the
13 state criminal justice system related to incarceration or probation of those
14 individuals;

15 (B) provide funds for services for and payments to crime
16 victims and for grants for the operation of domestic violence and sexual assault
17 programs;

18 (6) disclose the total amount that would have been paid during the
19 previous fiscal year to individuals who were ineligible to receive dividends under
20 AS 43.23.005(d) if they had been eligible;

21 (7) disclose the total amount appropriated for the current fiscal year
22 under (b) of this section for each of the funds and agencies listed in (b) of this section.

23 * Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to
24 read:

25 APPLICABILITY. The amendments made by secs. 1 and 2 of this Act apply only to
26 individuals convicted of misdemeanors under AS 28.22.011, 28.22.021, or 28.22.051
27 involving mandatory motor vehicle liability insurance committed after December 31, 2003.
28 Convictions for misdemeanors committed before January 1, 2004, may not be considered in
29 determining prior convictions for purposes of applying AS 43.23.005(i)(2), added by sec. 2 of
30 this Act.

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB 58
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: DPS
 Title PFD Ineligibility/Motor Vehicle BRU Statewide Support
Insurance Component APSIN
 Sponsor Senator Cowdery
 Requester Senate Judiciary Component No. 528

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact to the department.

Prepared by: Diane Schenker, Criminal Justice Info Services Manager Phone (907) 269-5092
 Division Administrative Services Date/Time 2/26/03 9:18 AM
 Approved by: Commissioner William Tandeske Date 2/26/2003
 Agency Department of Public Safety

23-LS0378VH
Cook
4/2/03

CS FOR SENATE BILL NO. 58()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATOR COWDERY

A BILL
FOR AN ACT ENTITLED

1 "An Act relating to permanent fund dividend program notice requirements and to the
2 ineligibility for permanent fund dividends of certain persons sentenced for crimes
3 involving mandatory motor vehicle liability insurance."

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

5 * **Section 1.** AS 43.23.005(g) is amended to read:

6 (g) For purposes of applying (d)(1) and (i) of this section, the date the court
7 imposes a sentence or suspends the imposition of sentence shall be treated as the date
8 of conviction. For purposes of applying (d)(2)(B) and (i)(2) of this section, multiple
9 convictions arising out of a single criminal episode shall be treated as a single
10 conviction.

11 * **Sec. 2.** AS 43.23.005 is amended by adding a new subsection to read:

12 (i) Notwithstanding the provisions of (a) - (c) of this section, an individual is
13 not eligible for a permanent fund dividend for a dividend year when

14 (1) during the qualifying year, the individual was sentenced as a result

1 of conviction in this state of a misdemeanor under AS 28.22.011, 28.22.021, or
2 28.22.051 involving mandatory motor vehicle liability insurance; or

3 (2) during the qualifying year or the four years immediately before the
4 qualifying year, the individual was sentenced as a result of the conviction in this state
5 of a misdemeanor under AS 28.22.011, 28.22.021, or 28.22.051 involving mandatory
6 motor vehicle liability insurance if the individual has been convicted of a prior
7 misdemeanor under AS 28.22.011, 28.22.021, or 28.22.051.

8 * Sec. 3. AS 43.23.028(a) is amended to read:

9 (a) By October 1 of each year, the commissioner shall give public notice of
10 the value of each permanent fund dividend for that year and notice of the information
11 required to be disclosed under (3) of this subsection. In addition, the stub attached to
12 each individual dividend check and direct deposit advice must

13 (1) disclose the amount of each dividend attributable to income earned
14 by the permanent fund from deposits to that fund required under art. IX, sec. 15,
15 Constitution of the State of Alaska;

16 (2) disclose the amount of each dividend attributable to income earned
17 by the permanent fund from appropriations to that fund and from amounts added to
18 that fund to offset the effects of inflation;

19 (3) disclose the amount by which each dividend has been reduced due
20 to each appropriation from the dividend fund, including amounts to pay the costs of
21 administering the dividend program and the hold harmless provisions of
22 AS 43.23.075;

23 (4) include a statement that an individual is not eligible for a dividend
24 when

25 (A) during the qualifying year, the individual was convicted in
26 this state of a

27 (i) felony; or

28 (ii) misdemeanor under AS 28.22.011, 28.22.021, or
29 28.22.051 involving mandatory motor vehicle liability insurance;

30 (B) during all or part of the qualifying year, the individual was
31 incarcerated as a result of the conviction in this state of a

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(i) felony; or

(ii) misdemeanor if the individual has been convicted of a prior felony or two or more prior misdemeanors; or

(C) during the qualifying year or the four years immediately before the qualifying year, the individual was sentenced as a result of conviction in this state of a misdemeanor under AS 28.22.011, 28.22.021, or 28.22.051 involving mandatory motor vehicle liability insurance if the individual has been convicted of a prior misdemeanor under AS 28.22.011, 28.22.021, or 28.22.051;

(5) include a statement that the legislative purpose for making certain individuals listed under (4) of this subsection ineligible is to

(A) obtain reimbursement for some of the costs imposed on the state criminal justice system related to incarceration or probation of those individuals;

(B) provide funds for services for and payments to crime victims and for grants for the operation of domestic violence and sexual assault programs;

(6) disclose the total amount that would have been paid during the previous fiscal year to individuals who were ineligible to receive dividends under AS 43.23.005(d) if they had been eligible;

(7) disclose the total amount appropriated for the current fiscal year under (b) of this section for each of the funds and agencies listed in (b) of this section.

* Sec. 4. The uncodified law of the State of Alaska is amended by adding a new section to read:

APPLICABILITY. The amendments made by secs. 1 and 2 of this Act apply only to individuals convicted of misdemeanors under AS 28.22.011, 28.22.021, or 28.22.051 involving mandatory motor vehicle liability insurance committed after December 31, 2003. Convictions for misdemeanors committed before January 1, 2004, may not be considered in determining prior convictions for purposes of applying AS 43.23.005(i)(2), added by sec. 2 of this Act.

ALASKA STATE LEGISLATURE
SENATE DISTRICT O

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John J. Cowdery
Senate Rules, Chair
Senate Transportation Committee, Chair
World Trade State & Federal Relations, Chair
State Affairs, Legislative Council

February 6, 2003

The Honorable Ralph Seekins, Chair
Senate Judiciary Committee
Alaska State Legislature
State Capitol, Room 125
Juneau, AK 99801

RE: SB 58 (Ineligibility for PFD of certain persons sentenced for crimes involving mandatory motor vehicle liability insurance)

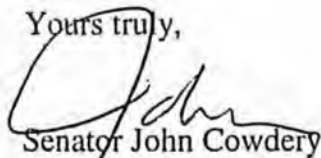
Dear Senator Seekins,

Senate Bill 58 was introduced February 5, 2003 and referred to your committee. I am writing to request that the bill be scheduled for a hearing at your earliest convenience.

Included with this letter of request are the bill and my sponsor statement. Other supporting documents may be forthcoming.

If you have any questions about the bill or require further information please feel free to call me at any time. Thank you for the consideration of this request.

Yours truly,


Senator John Cowdery

Enclosures

SENATOR
JOHN J. COWDERY
Anchorage

Committees
Chair: Rules
Chair: Transportation
Chair: World Trade &
State/Federal Relations
Legislative Council



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Senator_John_Cowdery@legis.state.ak.us

SPONSOR STATEMENT SB58

"An act relating to permanent fund dividend program notice requirements and to the ineligibility ... of certain persons sentenced for crimes involving mandatory motor vehicle liability insurance."

Each year hundreds of Alaskans fall victim to uninsured drivers.

State law is clear: drivers must maintain a minimum amount of liability insurance in order to operate a motor vehicle. The purpose of SB58 is to add a conviction for driving without proper insurance to the list of conditions that make a person ineligible for a permanent fund dividend.

A first offense brings a one-year suspension of the PFD.

A second offense brings a five-year suspension of the PFD.

This means the dividend cannot be used to offset fines or debts. Instead, the offender is simply ineligible for the dividend, which leaves the dividend amount in the overall pot to be equally distributed among eligible Alaskans.

Because a permanent fund dividend is not a right, but a privilege, these penalties fall above and beyond all other penalties currently provided for by law.

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SB 58
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
Title PFD Ineligibility / BRU Child Support Division
Motor Vehicle Insurance Component Child Support Division
Sponsor Senator Cowdery
Requester Senate Judiciary Committee Component No. 111

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would amend statute to add convictions for driving without liability insurance to the list of offenses that cause an individual to lose his or her eligibility to receive the Permanent Fund dividend. The list currently includes individuals convicted or incarcerated for a felony, a third misdemeanor, or a misdemeanor with a prior felony.

From the perspective of the Child Support Enforcement Division, any legislation that diminishes the ability of the Division to garnishee dividends from delinquent parents would deny a source of funds owed to custodial parents. Unfortunately, the dividend often is the only payment collected for some parents all year, and the dividend is the single largest source of collections for the Child Support Division (almost 15% of total annual collections in recent years). The more Alaskans added to the list of ineligible applicants for the dividend, the fewer dividends the Division can collect. By statute, child support takes first priority over all other garnishments against a dividend.

Prepared by: Larry Persily, Deputy Commissioner Phone 465-5469
Division Department of Revenue Date/Time 2/16/03 1:48 PM
Approved by: Larry Persily, Deputy Commissioner Date 2/16/2003
Agency Department of Revenue

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SB 58
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Law
Title "... ineligibility for permanent fund dividends BRU Civil Division
... for crimes involving mandatory motor vehicle insurance." Component Collections and Support
Sponsor Senator Cowdery
Requester Senate Judiciary Committee Component No. 2210

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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 (GF/Prog Rcpts)	0.0	0.0	(*****)	(*****)	(*****)	(*****)
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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--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0
Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The collections unit of the Department of Law is responsible for collecting civil and criminal judgments owed to the State of Alaska, and beginning in January 2002, restitution on behalf of victims of all types of crimes (violent, non-violent, and property crimes) and delinquent acts. Criminal judgments include criminal fines, costs of incarceration, costs of appointed counsel, forfeited bonds, minor offense fines, and costs related to those fines. Civil judgments include cost and attorney fees awarded to the state in civil litigation, and APOC and OSHA penalties.

Approximately two-thirds of the state revenue generated by the unit is deposited in the general fund. The remaining revenue is appropriated as general fund program receipts both to support DUI incarceration and court appointed counsel programs, and to pay for the collections unit. Restitution revenue is paid to victims.

Prepared by: Joan M. Kasson Phone (907) 465-5370
Division Attorney General's Office Date/Time 2/18/03 2:50 PM
Approved by: Kathryn Daughettee for Gregg D. Renkes, Attorney General Date 2/18/2003
Agency Department of Law

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

BILL NO. SB 58

ANALYSIS CONTINUATION

The unit's primary collection tool is the permanent fund dividend attachment. Historically, over 85 percent of the unit's collections each year are received through the attachment of defendants' permanent fund dividends. During FY 02, the unit collected \$3,574,907 of which \$2,960,210 was through the dividend attachment. Although the unit may use other collection tools, such as wage withholding or attachment of funds in bank accounts, most of the judgments that the unit collects are simply not large enough to justify the cost of such collection actions. The cost of collection would exceed the amount collected. To succeed, the unit must be able to collect a high volume of relatively small judgments. The only cost-effective way to do this is through the electronic attachment process used for the permanent fund dividend attachment. As a practical matter, if the permanent fund dividend cannot be attached, most of these judgments would be uncollectible when the cost of collection is factored in the equation.

Because of the unit's reliance on the attachment of dividends, a bill that removes persons from eligibility for the permanent fund dividend will adversely affect the unit's collections. SB 58 will affect the collection of fines, restitution, and other judgments owed by persons sentenced for motor vehicle liability insurance offenses, primarily by delaying the collection of such judgments. Collection will be delayed by one year for defendants for whom this is a first offense and for four years for defendants with at least one prior offense under these statutes. The unit has found that the earlier the collection proceedings begin the more likely the judgment will be collected. Over time, defendants leave Alaska, die, are incarcerated for new crimes, or incur debts with a higher priority under the dividend priority scheme. Thus, debts that the unit could have collected during the first year or two after the defendant is released from jail may be uncollectible after the one-year or four-year delay imposed by the bill.

It is extremely difficult to estimate the impact of this bill on the unit's collections. The impact will be masked initially because during the first year or two after the bill takes effect, the unit will be collecting judgments that pre-date the bill's effective date. These earlier judgments will be unaffected by the bill's restrictions because the bill applies only to defendants convicted of crimes committed after December 31, 2003. As collections continue on older judgments, the effect of the bill will be limited. In addition, the current law precludes defendants from receiving a dividend while incarcerated. In these cases, the unit would be unable to collect the judgment until the defendant was released from jail anyway. Thus, the unit will not begin to feel the effect of the bill until these new defendants begin to be released from incarceration. At that point, we should see a drop in collections, as the old judgments are paid off and the new judgments are not collectible because the defendants are ineligible for the dividend.

As illustrated in the above discussion, there are many variables that will affect the actual loss in collections related to this bill over time. There can be no doubt that the provisions of SB 58 will reduce the collections of criminal fines, restitution for crime victims, and other judgments owed to the state. The actual amount of the reduction, however, cannot be determined at this time.

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB 58
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title PFD Ineligibility / BRU Revenue Operations
Motor Vehicle Insurance Component Permanent Fund Dividend
 Sponsor Senator Cowdery
 Requester Senate Judiciary Committee Component No. 981

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
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--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2003) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*

 See attached analysis.

Prepared by: Larry Persily, Deputy Commissioner Phone 465-5469
 Division: Department of Revenue Date/Time 2/16/03 1:08 PM
 Approved by: Larry Persily, Deputy Commissioner Date 2/16/2003
 Agency: Department of Revenue

Department of Revenue

This legislation would amend AS 43.23.005(d) and AS 43.23.028(a) to add convictions for driving without motor vehicle liability insurance to the list of offenses that cause an individual to lose his or her eligibility to receive the Alaska Permanent Fund dividend. The list currently includes individuals convicted or incarcerated for a felony, a third misdemeanor, or a misdemeanor with a prior felony. This legislation would declare persons convicted for driving without insurance ineligible for the dividend for the year after their conviction or incarceration. Second-time offenders would lose their eligibility for the dividend for five years after their conviction or incarceration.

The dividend money that otherwise would have gone to Alaskans convicted of driving without insurance instead would be added to the funds already diverted from those convicted of felonies and misdemeanors and which is used to fund programs at the Department of Corrections, Department of Public Safety's Council on Domestic Violence and Sexual Assault, Crime Victim Compensation Fund, and Legislative Office of Victims' Rights.

This legislation would not affect the amount of the annual dividend.

Although it would not increase the cost of operations for the Dividend Division it likely would increase the number of appeals as some applicants would contest their denials and the Division would have to research and verify their conviction and/or incarceration records.

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: SB 58
() Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
Title An Act related to PFD ineligibility for conviction BRU Legal and Advocacy Services
involving mandatory motor vehicle liability insuranc Component Public Defender Agency
Sponsor Senator Cowdery
Requester (S) JUD Component No. 1631

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	***	***	***	***	***	***
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	***	***	***	***	***	***

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	***	***	***	***	***	***
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	***	***	***	***	***	***

Estimate of any current year (FY2003) cost: ***
Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time	***	***	***	***	***	***
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See attached page for analysis.

Prepared by: Linda K. Wilson, Deputy Director Phone (907)-334-4416
Division Public Defender Agency Date/Time 2/19/03 9:25 AM
Approved by: Mike Miller, Commissioner Date 2/19/2003
Agency Department of Administration

Fiscal Note Analysis for SB 58: (continued)

This legislation would make a person convicted of failing to carry mandatory motor vehicle liability insurance or proof thereof, or false information related to said liability insurance ineligible for a PFD for the qualifying year they were convicted. If it were their second or subsequent offense, the person would be ineligible for five years.

The Public Defender Agency's operations may be affected by this bill. For many indigent people, the PFD is one of their primary sources of income, and when they are convicted of a crime and owe fines, restitution, surcharges, fees, and other financial obligations including child support, their PFD is often attached and used towards those amounts due. If people convicted of failing to carry or prove vehicle liability insurance or false information related to said insurance are ineligible for a PFD for a qualifying year, and/or four more years for repeat offenders, the dividend could not be used to offset any restitution, fines, or other debts owed by that individual. If they are not able to pay restitution, fines, surcharges, or fees, whose payment is a condition of their probation or parole, and are in violation of those conditions, petitions to revoke probation or parole would be filed. This could increase the caseload and workload of the Agency, however, it is not possible to determine the extent of that impact. The Agency represents indigent persons in both parole and probation revocations, and both may increase if this bill becomes law, but it is not possible to predict the increased number. Therefore, an indeterminate fiscal note is submitted.