

**HB**

**366**

**HFIN**

**FILE**



# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number. 2  
Bill Version: HB 366  
(H) Publish Date: 3/20/08

Identifier (file name): HB366-REV-CSSD-3-17-08 Dept. Affected: Revenue  
Title: Disclosure: Appropriations From PFD Funds RDU: Child Support Services Division  
Component: Child Support Services Division  
Sponsor: Rep Crawford  
Requester: House State Affairs Component Number: 111

## Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>								
-----------------------------	--	--	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>								
-------------------------------	--	--	--	--	--	--	--	--

## FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: \_\_\_\_\_

### POSITIONS

Full-time							
Part-time							
Temporary							

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

Last fall we estimated that 10,188 individuals would have received a 2007 dividend, had it not been for conviction or incarceration as a felon or multiple misdemeanor.

1,499 were sentenced felons

8,689 were incarcerated convicted felons and/or incarcerated convicted multiple misdemeanants

Analysis continued on page 2

Prepared by: John Mallonee  
Division: Child Support Services Division  
Approved by: Jerry Burnett  
Department of Revenue

Phone 907 269-6801  
Date/Time 3-17-2008 2:00pm  
Date 3/17/2008

FISCAL NOTE #2

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

BILL NO. HB 366

ANALYSIS CONTINUATION

An amount equal to what would have been paid to these individuals as dividends is appropriated to the Departments of Corrections and Public Safety each year to offset the cost of incarceration and to provide for programs for victims of crimes. House Bill 366 would add grants to the children of incarcerated parents to the permitted uses of what are commonly called "PFD Felon Funds."

There are approximately 5,000 individuals incarcerated that owe child support for their children. Most of these people have a \$50 per month child support order on which they pay very little. Unlike other citizens of Alaska, these incarcerated individuals can not apply for a Permanent Fund Dividend which Child Support Services Division would garnish and provide to the custodial parent and child. Therefore these families receive very little in the way of child support while the non-custodial parent is incarcerated.

This bill would have no impact on the number of individuals eligible to apply for the dividend nor to the amount of the dividend.

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: \_\_\_\_\_  
Bill Version: HB366-DOC-IHC-02-21-08  
( ) Publish Date: \_\_\_\_\_

Identifier (file name): HB336-DOC-IHC-02-21-08 Dept. Affected: Corrections  
Title "An act relating to an exemption from public disclosure of certain appropriations from the dividend fund; and providing ..." RDU Inmate Health Care  
Sponsor Representatives Crawford, Gardner Component Inmate Health Care  
Requester House State Affairs Component Number 705

## Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>								
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>								
-----------------------------	--	--	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>								
-------------------------------	--	--	--	--	--	--	--	--

## FUND SOURCE (Thousands of Dollars)

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Interagency Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: 0.0

### POSITIONS

	FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Full-time	0	0	0	0	0	0	0
Part-time	0	0	0	0	0	0	0
Temporary	0	0	0	0	0	0	0

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

This legislation amends AS 43.23.028(b), exemption's from public disclosure of certain apportions from the dividend funds. Passage of this legislation should have no fiscal impact on the Department of Corrections.

If the legislature chooses to reduce the current level of PFD Criminal Funds appropriated to the Department of Corrections, a General Fund appropriation equal to the reduction would be requested to maintain inmate health care services.

Prepared by: Sharleen Griffin, Director  
Division Administrative Services  
Approved by: Dwayne Peoples, Deputy Commissioner  
Department of Corrections

Phone (907) 465-3339  
Date/Time 3/31/08 4:04 PM  
Date 3/31/2008

**Heather Beaty**

---

**From:** drobbins@gci.net on behalf of Doris Robbins [drobbins@gci.net]  
**Sent:** Sunday, March 30, 2008 2:13 PM  
**To:** Rep. Mary Nelson; Rep. Reggie Joule; Rep. Les Gara; Rep. Harry Crawford; Rep. Bill Thomas; Rep. Mike Kelly; Rep. Mike Hawker; Rep. John Harris; Rep. Bill Stoltze; Rep. Kevin Meyer; Rep. Mike Chenault  
**Subject:** HB 366 Approp. from PF for Minor Children of Incarcerated  
**Attachments:** Doris Robbins.vcf

Representative Chenault,  
Representative Meyer,  
Representative Stoltze,  
House Finance Committee,

First, thank you Representative Crawford, for sponsoring this legislation which recognizes the children and family of those in prison. Thank you also for the other co-sponsors! So often, no one thinks of the rest of the family. I'm all for getting "the bad guys" and hopefully providing for their reform with counseling and education, but no one thinks about the kids when they lock up "the bad guys." If I had transportation I would go down to the LIO and voice my wishes, but since I can't, please consider this with the same vigor as you would a live testimony.

Children of the incarcerated become double XX victims. That is the best expression I can use. They have a bad behaving parent, the parent is not there for any support, and there is no monetary fund available for the courts to get at to use for the kids.

In addition to the stigma of a jailed parent the kids have no positive role model in that parent. These kids need a lot of help to be set on a right path. The remaining parent, most often a woman, finds it difficult to provide ordinary needs for the child/children on her income.

With HB 366 allowing the Department of Revenue to provide grants to minor children of incarcerated individuals there is some measure of help. In doing so, this bill ensures that minor children of incarcerated individuals do not lose out on the child support they depend on.

In addition, they need more support in school; and after school they need help from someone like Big Brothers/Sisters for a role model.

Please pass this bill!

Doris Robbins

drobbins@gci.net  
1281 Overhill Drive  
Fairbanks AK 99709  
(907) 374-0597

**Alaska State Legislature**  
House of Representatives

Alaska State Capitol  
Juneau, Alaska 99801-1182  
1-907-465-3438 (phone)  
1-888-478-3438 (toll free)  
1-907-465-4565 (fax)



Interim Address  
716 West Fourth Avenue  
Anchorage, Alaska 99501-2133  
(phone) 1-907-269-0100  
(fax) 1-907-269-0105

Representative Harry Crawford  
District 21

**SPONSOR STATEMENT: HOUSE BILL 366**

Approximately 5,000 Alaskan children do not receive child support because their non-custodial parent is incarcerated and ineligible to receive a Permanent Fund Dividend. When non-custodial parents are ordered to pay child support, but are unable to do so, their Permanent Fund Dividend is garnisheed to fulfill the debt. In 1996, AS 43.23.005(d) was amended, making an individual ineligible to receive a Permanent Fund Dividend if, during the qualifying year, they were incarcerated as a result of a felony; or misdemeanor if they have a prior felony; or two or more prior misdemeanors. While this has the desired effect of punishing repeat miscreants by making them ineligible to receive a Permanent Fund Dividend, the amendment has the apparent unintended consequence of denying dependent children of incarcerated parents the child support they depend on.

Under current law, the Permanent Fund Dividends of individuals found ineligible under AS 43.23.005(d) are appropriated to the Department of Corrections and to programs for the victims of crimes. HB 366 will allow the Department of Revenue to provide grants to minor children of incarcerated individuals. In doing so, this bill ensures that minor children of incarcerated individuals do not lose out on the child support they depend on.

**Suzanne Cunningham**

---

**From:** Burnett, Jerry D (DOR) [jerry.burnett@alaska.gov]

**Sent:** Tuesday, April 01, 2008 1:07 PM

**To:** Suzanne Cunningham

**Subject:** HB 366 Budget Effects

Suzanne,

In the FY 09 budget the PFD felon funds total approximately \$16.8 million.

If HB 366 was in effect and the budget reflected that the equivalent of 5000 dividends were paid to CSSD, the budgets of Corrections and Public Safety would require an additional \$8.27 million in GF to stay at current levels.

In FY2010 I estimate that the lost dividends from incarcerated persons with CSSD cases will exceed \$10 million of the approximately \$22 million that will be available in the PFD felon funds.

Jerry

Distributed by Rep Crawford's office  
HB 304

House Journal  
May 15, 1991 Pages 1418 - 1419

Letter of Intent for HCS CSSB 98 (FIN)

"It is the intent of the Legislature by enactment of sec. 3 of SB 98 that the Department of Revenue shall implement AS 43.23.005(d) in accordance with the recent Alaska Supreme Court decision, State of Alaska v. Anthony, No. 3685 (Alaska April 26, 1991). The decision found that it is permissible for the state to prevent incarcerated felons from receiving Permanent Fund Dividend checks, and to use that money for the crime victim compensation fund established under AS 18.67.162, or to cover part of the costs of programs of the Department of Corrections, such as gate money and sex offender treatment. The Department of Revenue should calculate and notify the Legislature of the amount that otherwise would have been paid to incarcerated felons during the prior calendar year, but for the provisions of AS 43.23.005(D), and that amount shall be appropriated for uses designed to help compensate victims and the state for costs associated with the criminal activities of felons."

The following previously published note applies to HCS CSSB 98 (FIN):

Senate zero fiscal note, Department of Revenue (3/7/91)

The report was signed by Representative Navarre, Co-chairman.

CSSB 98 (FIN) was referred to the Rules Committee for placement on the calendar.