

**HB**

**166**



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# Alaska State Legislature



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State Affairs Committee

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Corrections  
Labor and Workforce Development  
Military and Veterans' Affairs  
Public Safety

*A Communication From*  
**REPRESENTATIVE BOB LYNN**  
**District 31 Anchorage**

**E-Mail: Representative\_Bob\_Lynn@legis.state.ak.us**  
**"Bob Lynn's Alaska Blog" RepBobLynnBlog.com**

**Session:**  
Alaska State Capitol  
Juneau, AK 99801-1182

Phone: (907) 465-4931  
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Anchorage, AK 99501-2133

Phone: (907) 269-0205  
Fax: (907) 269-0207

## FAX

To: Legal Services

Fax #: 2029

From: Nancy Manly x2794  
Alaska State Capitol, room 104  
Juneau, AK 99801-1182

# of Pages (including cover): 1

Phone: 907-465-4931  
Fax: 907-465-4316

Re: HB 166 Contributions from Permanent Fund Dividends

Please draft a final CS for HB 166 Version C that passed out of the House State Affairs  
Committee this morning. There were no amendments. Thank you.

\*\*\*\*\*

\* \* \* \* \*

TRANSACTION REPORT

MAR-21-2007 10:02 PM

FOR: REP LYNN

4654316

\*\*\*\*\*

SEND

\* \* \* \* \*

DATE	START	RECEIVER	PAGES	TIME	NOTE
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MAR-21	10:01 PM	2029	1	27"	OK
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**Nancy Manly**

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**To:** Londi Ensor

**Subject:** Fiscal Notes from Bills Passed in House STA Committee Today

**Attachments:** HB166-DOR-PFD-3-19-07.pdf

The following bills passed out of House STA Committee: HB 13 and HB 166.

Electronic fiscal notes for HB 166 attached

HB 13 had an existing fiscal note.

Nancy

3/22/2007

*Library*

**Nancy Manly**

**From:** Kaci Schroeder  
**Sent:** Wednesday, March 21, 2007 1:56 PM  
**To:** Nancy Manly; Crystal Novotney; Carol Beecher; Sonia Christensen; Jeanne Ostnes; Terry Harvey; Deneen Tuck  
**Cc:** Sammye Pokryfki; Heather Brakes; jerry\_burnett@revenue.state.ak.us  
**Subject:** HB 166 Changes

*This is how HB 166 Changed  
 And who wanted the Change*

All,

I know I have talked to some of you regarding some changes to HB 166, but just wanted to let you all jointly know of the kinds of changes that we have incorporated to HB 166. I am still waiting for the CS, but these are the changes that I compiled from talking to your offices and have requested:

*2/21/07  
 Johnson  
 2/21/07  
 Johnson  
 2/21/07  
 Johnson*

- 1.) Page 2, Lines 20-28: DELETE
- 2.) INSERT (somewhere in the bill): If parent organization is a "group" as defined by APOC, then that particular nonprofit will not be eligible to be included as an approved charity.
  - a. "Groups" under APOC are two or more individuals who act jointly to influence the outcome of an election. Groups are not eligible under the bill and this change will also make their non-profits ineligible.
- 3.) Clearing up language to make it apparent that the non-profits must reapply each year.
  - a. This will allow for some oversight and in the event that they do not meet the criteria set out in the bill then they will be disqualified.
- 4.) A copy of the policies and procedures of whichever entity ends up managing the program shall be on file with the Dept. of Revenue.
- 5.) There will also be a change which will allow the department to circumvent the procurement process if they chose to.

Again, I apologize for not being able to get you an actual CS before the meeting, but in talking to the drafters it is not looking like it is possible (the CS is expected later this evening). If there is anything further that you all would like to discuss about this bill please don't hesitate to contact me at 465-3306.

See you all bright and early tomorrow morning!

Kaci Schroeder Hotch  
 Legislative Aide to Rep. Thomas

Library

25-LS0678:C  
Cook  
3/21/07

CS FOR HOUSE BILL NO. 166( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY

Offered:  
Referred:

Sponsor(s): REPRESENTATIVE THOMAS

A BILL  
FOR AN ACT ENTITLED

1 "An Act relating to contributions from permanent fund dividends to community  
2 foundations, to certain educational organizations, and to certain other charitable  
3 organizations; and providing for an effective date."

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

5 \* Section 1. AS 43.23 is amended by adding a new section to read:

6       Sec. 43.23.062. Contributions from dividends. (a) Notwithstanding  
7 AS 43.23.069, the Department of Revenue shall prepare the electronic Alaska  
8 permanent fund dividend application to allow an applicant who files electronically to  
9 direct that money be subtracted from the dividend payment and contributed to one or  
10 more of the educational organizations, community foundations, or charitable  
11 organizations that appear on the contribution list contained in the application. A  
12 contribution to an organization may be \$25, \$50, \$75, or \$100 or may be 10 percent,  
13 25 percent, 50 percent, or 100 percent of the total dividend amount. If the total amount  
14 of contributions elected by an applicant exceeds the amount of the permanent fund

1 dividend that the applicant is entitled to receive, contributions shall be deducted from  
2 the dividend in the order of priority elected by the applicant on the application until  
3 the entire amount of the dividend that the applicant is entitled to receive is allocated  
4 for contribution. The electronic dividend application form must include notice that no  
5 money contributed will be used for administrative costs incurred in implementing this  
6 section and that money from the dividend fund will not be used for that purpose.

7 (b) The department shall list each campus of the University of Alaska and  
8 shall list each other educational organization, community foundation, or charitable  
9 organization eligible under (c) and (d) of this section on the contribution list by  
10 geographic region in random order, and the order shall be changed each year. On the  
11 contribution list, organizations shall also be grouped by type within each geographic  
12 region. The department shall provide a statement of the contributions made by an  
13 individual that is suitable for federal income tax purposes to each individual who  
14 elects to contribute under (a) of this section.

15 (c) The department may not include on the contribution list an educational  
16 organization, community foundation, or charitable organization that is the affiliate of a  
17 group. For purposes of this subsection,

18 (1) "affiliate" means an organization or foundation that directly or  
19 indirectly through one or more intermediaries controls, is controlled by, or is under  
20 common control with, a group;

21 (2) "group" has the meaning given in AS 15.13.400(8)(B).

22 (d) The department may include an educational organization, community  
23 foundation, or charitable organization on the contribution list for a current dividend  
24 year only if the organization

25 (1) files an application for inclusion on the list for that dividend year  
26 on the form required by the department before June 15 of the qualifying year;

27 (2) is exempt from taxation under 26 U.S.C. 501(c)(3) (Internal  
28 Revenue Code) as an educational or a charitable organization on the date of  
29 application;

30 (3) was qualified for tax exempt status under 26 U.S.C. 501(c)(3)  
31 (Internal Revenue Code) as an educational or a charitable organization during the two

1 calendar years that immediately precede the year the application is filed;

2 (4) has a current Internal Revenue Service Form 990 on file with the  
3 United States Department of the Treasury, Internal Revenue Service;

4 (5) is directed by a voluntary board of directors or local advisory board  
5 whose members are residents of the state;

6 (6) provided in the state aid or services during the two calendar years  
7 that immediately precede the year the application is filed;

8 (7) receives at least \$100,000 or five percent of its total annual  
9 receipts, whichever is less, from contributions;

10 (8) has completed and provided to the department a financial audit  
11 with an unqualified opinion, conducted by an independent certified public accountant  
12 for the fiscal year immediately preceding the year the application is filed if the total  
13 annual budget of the organization exceeds \$250,000 during that fiscal year; and

14 (9) does not make grants or contributions to an organization that is  
15 exempt from taxation under 26 U.S.C. 501(c)(4) or (6).

16 (e) Unless an appropriation specifically directs that the money be used for  
17 costs incurred in implementing this section, the department may not use money from  
18 the dividend fund for administrative costs incurred in implementing this section even  
19 if it has been appropriated for costs of administering the dividend program. The  
20 department may not use money contributed under (a) of this section for administrative  
21 costs incurred in implementing this section. Contributions shall be distributed to each  
22 organization as soon as practicable.

23 (f) The department may use an agent or enter into a contract for the  
24 implementation and operation of the contribution program under this section. Before  
25 executing a contract with a corporation or other organization, the organization must  
26 provide a copy of its policies and procedures to the department. A contract entered  
27 into under this subsection is exempt from AS 36.30 (State Procurement Code).

28 (g) A public agency that claims a dividend on behalf of an individual under  
29 AS 43.23.015(e) may not elect to make contributions from the dividend under (a) of  
30 this section.

31 (h) The department may adopt regulations under AS 44.62 (Administrative

1 Procedure Act) to carry out the provisions of this section. If an organization disagrees  
2 with an action of the department under this section and requests an administrative  
3 hearing, the hearing shall be conducted by the office of administrative hearings  
4 (AS 44.64.010).

5 (i) By January 20 of each year, the department shall submit a report to the  
6 legislature identifying the organizations on the contribution list for the immediately  
7 preceding year, together with the amount of contributions made to each of the  
8 organizations.

9 (j) In this section, "community foundation" means a nonprofit, autonomous,  
10 philanthropic institution that is organized and operated primarily as a permanent  
11 collection of endowed funds for the long-term benefit of a defined geographic area  
12 within one or more municipalities, that has a long-term goal of increasing its  
13 permanent unrestricted charitable endowment to benefit the area served, that primarily  
14 provides benefits by making grants and may also provide other forms of charitable  
15 services, that makes grants that are not limited to providing one type of benefit or to  
16 serving one population segment, and that makes grants to multiple grantees.

17 \* Sec. 2. AS 43.23.062 is repealed December 31, 2010.

18 \* Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to  
19 read:

20 APPLICABILITY. AS 43.23.062, enacted by sec. 1 of this Act, applies to the Alaska  
21 permanent fund dividends for 2008, 2009, and 2010.

22 \* Sec. 4. This Act takes effect immediately under AS 01.10.070(c).

# FISCAL NOTE

**STATE OF ALASKA**  
**2007 LEGISLATIVE SESSION**

Fiscal Note Number: HB166-DOR-PFD-3-19-07  
 Bill Version: HB 166  
 ( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Revenue  
 Title PFD Charitable giving RDU Revenue Programs & Support  
 Component Permanent Fund Dividend  
 Sponsor Thomas  
 Requester House State Affairs Component No. 981

**Expenditures/Revenues** (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	76.1	38.1	38.1			
Travel	4.2	2.0	2.0			
Contractual	238.9	49.8	49.8			
Supplies	1.1	1.1	1.1			
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>320.3</b>	<b>91.0</b>	<b>91.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	320.3	91.0	91.0			
1005 GF/Program Receipts						
1037 GF/Mental Health						
1108 Statutory Program Receipts						
<b>TOTAL</b>	<b>320.3</b>	<b>91.0</b>	<b>91.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2007) cost: 45.0  
 Check this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

**POSITIONS**

Full-time	1					
Part-time		1	1			
Temporary						

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

This bill requires the department to set up and administer a program in which PFD applicants who apply online can assign part or all of their dividend each year to one or more educational, charitable or community foundation organizations. The list of such organizations will be established through an application process according to criteria established in the bill. Appeals are anticipated from organizations whose applications to be listed are denied. The department has been given the estimate of over 2000 organizations that may apply and about 750 that may be eligible. The program will be effective beginning with the 2008 dividend with a temporary application process for that startup year only. Regulations will be done to be effective for the 2009 cycle. The program will sunset after the 2010 dividend. (continued on page 2)

Prepared by: Amy Skow, Division Manager Phone 907 465-4784  
 Division Permanent Fund Dividend Date/Time 3/19/2007 10:30 a.m.  
 Approved by: Jerry Burnett Date 3/19/2007  
 Agency Department of Revenue

FISCAL NOTE

STATE OF ALASKA  
2007 LEGISLATIVE SESSION

BILL NO. HB 166

**ANALYSIS CONTINUATION**

In order to implement this program for the 2008 cycle, work must begin in 2007. 2007 costs are reflected in the operating expenditures listed above and noted on the "Estimate of any current year costs". Estimated costs of work to be done by the agent are not listed on this fiscal note because they will be paid directly by Rasmussen Foundation.

HB166 states specifically that implementation and administrative costs for this bill will not come from either the charitable contributions or the Permanent Fund itself. Accordingly, the Fund Source for expenses listed within this fiscal note is assumed to be the General Fund.

Cost summary:

<b>100</b>	<b>Personal Services</b>		<b>76.1</b>
	1 full time position, salary basis Program Coordinator, Contract administration (program administration and *computer programming contracts)		
	Review agent's recommendations for approved organizations		
	Develop regulations		
	Respond to applicant questions and requests to withdraw/change designations, troubleshoot problems		
	Accounting and payments		
<b>200</b>	<b>Travel</b>		<b>4.2</b>
<b>300</b>	<b>***Contractual</b>		<b>283.9</b>
	*Mainframe, server, and web application changes	220.0	
	*Department of Law - regulations	5.5	
	*Regulations - public notice	1.1	
	** Printing - two additional pages to application booklet; distribution letters to participants (1099)	11.0	
	**Postage - increased postage for application booklets and distribution letters to participants	27.5	
	Data storage and computer services	2.7	
	1-800 phone calls	1.1	
	OAH Hearing costs (100 hours x \$150/hr)	15.0	
<b>400</b>	<b>Supplies</b>		<b>1.1</b>
	<b>Total</b>		<b>\$ 365.3</b>
	<b>FY 2007 expenses</b>		<b>(45.0)</b>
	<b>Total</b>		<b>\$ 320.3</b>

\*One time cost

\*\* Print and postage cost for 1099 based on 50,000 participants

\*\*\*Anticipated costs for appeals (7.5) are added to contractual in years 2 and 3

HOUSE STATE  
AFFAIRS  
COMMITTEE  
PACKET  
March 20, 2007

**1** **HB 166**  
*Contributions from Perm  
Fund Dividends*

**2** **HB 151**  
*Indemnity Clause in  
Public Contracts*

**3** **HB 92**  
*Jurisdiction of Ombudsman*

**4**

**5**

**6**

**7**



## REPRESENTATIVE BILL THOMAS

ALASKA STATE LEGISLATURE DISTRICT 5

e-mail: [Representative.Bill.Thomas@legis.state.ak.us](mailto:Representative.Bill.Thomas@legis.state.ak.us)

webpage: [www.akrepublicans.org/thomas/](http://www.akrepublicans.org/thomas/)

State Capitol

Juneau AK, 99801-1182

907-465-3732

888-461-3732

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### Sponsor Statement for HB 166 Permanent Fund Dividend Contributions

HB 166 is an attempt to increase private philanthropy in Alaska by giving people an option of donating a portion of their Permanent Fund Dividend check to their favorite charity. Alaskans who make \$100,000 or more, rank 49<sup>th</sup> or 50<sup>th</sup> in the nation as far as percentage of income donated to charities.

In the hustle and bustle of life, we often forget about those organizations who rely solely on donations and who provide important services to our communities. HB 166 allows for a list of approved organizations to be included with a person's PFD application and allows them to check off which charities that they would like to donate to. 100% of their donation will go to the charity. The simplicity of being able to simply check the desired charity while applying for one's PFD will increase the rate of donation and give these charities another avenue to use in their fundraising.

HB 166 also requires that the charity meet certain criteria before it can be placed on the list with the PFD applications. Among the criteria, the charity must be a University of Alaska campus, or provide vocational training or post secondary education, provide a positive youth development program, workforce development, aid to the arts, or aid and services to individuals who are: elderly, low-income, in emergency situations, disabled, or mentally ill.

The Rasmuson Foundation, a charitable foundation which makes \$25 million in grants each year to Alaska organizations, has pledged to fully fund the administrative costs of the program for the first three years of the program, creating a zero fiscal impact on the state in these crucial beginning years.

HB 166 gives people a simple and convenient way to donate to their favorite charities, who make a positive impact in our communities. I urge your support of this important piece of legislation.



## Charitable Giving Benefits Giver As Much as Receiver

Friday, December 22, 2006

By Ryan Messmore

On Monday morning, millions of Americans will gather with loved ones to engage in a vitally important social activity: giving gifts.

They may do so to continue family tradition, or to participate in a cultural holiday, or to celebrate the gift of a Savior. Whatever the reason, the practice of giving taps into something deep in the nature of the person.

Giving our time and money to others tends to have significant implications for our individual well-being and that of our local communities and nation. Charitable giving is associated with higher levels of health and happiness, increased prosperity and strong community organizations.

Just as significant is the way that giving and receiving gifts shape our moral vision. Given the numerous "spillover effects" of private giving for larger society, government has a strong interest in ordering society in such a way that charity can flourish.

Researcher Arthur Brooks examines the benefits of giving in his new book, "Who Really Cares: The Surprising Truth about Compassionate Conservatism." In terms of physical health and happiness, Brooks notes that people who give more charitably are 43 percent more likely to say they are "very happy" than non-givers, while non-givers are three and a half times more likely than givers to report they are "not happy at all."

In addition, several large studies have also found that senior citizens who volunteer have a 40 percent lower probability of dying in a given year than people of the same age and health level.

Giving also increases personal and well as national prosperity. Pointing to a survey conducted in 2000 that controlled for education, age, race and all the other outside explanations for giving and income increases, Brooks reports that a dollar donated to charity was associated with \$4.35 in extra income.

Of this additional income, \$3.75 was due to the dollar given to charity. At the national level, a 1 percent increase in national giving appeared to increase real GDP by about \$36 billion.

Charitable giving is important for strong local communities as well. As Brooks explains, not only do giving and volunteering correlate with honesty and promote bonds of trust among neighbors, but they also sustain numerous charities providing critical services in education, health, the arts, the environment and disaster relief. Because such organizations can provide a buffer against the authority of the state, suggests Brooks, giving to them is also important for protecting freedoms and fostering democratic values.

In addition to charity's effects on health, happiness, income and community life, giving's most powerful influence may lie in its ability to shape moral vision. The practice of voluntary giving fashions the way we see wealth, poverty, and personal obligations toward those in need.

Without charity, Americans would become more dependent on impersonal government for a vast array of services. This, in turn, would foster a social relationship where one side perceives aid as a forced penalty rather than a voluntary offering and the other side views aid as a right rather than a gift.

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Impersonal government checks can foster a mentality that undercuts the motivation to feel or give gratitude when received. In contrast, gifts create a kind of momentum of good will, which has the potential to bind both giver and receiver into a more personal relationship. Interestingly, Brooks found that people are much more likely to give away money they earn than money they receive from the government. Voluntary giving and receiving beget more charitable ways of seeing and living in the world.

In sum, these financial and non-financial advantages demonstrate that giving is good not only for the receiver, but also for the giver -- as well as the giving society. Government therefore has an obligation to make policy that is conducive to Americans' charitable spirit. Policy should clear the way for citizens to act upon their generosity with ease. Government should not make it difficult to engage in charitable and civic activities through burdensome legal requirements, punitive mandatory expenditures, bureaucratic red tape and controversial hiring practices.

Government should provide the fair, legal space in which faith-based charitable organizations can meet social needs.

Government can also influence charitable giving through its economic and welfare policies.

According to Brooks, government entitlement programs have a negative impact on charity -- they drive giving down among both rich and poor. On average, a working poor family is more than twice as likely to give -- and gives more than three times as much money -- and almost twice as likely to volunteer as a family receiving roughly the same amount on welfare.

What stands out from Brooks' research, however, is that the mere support for income redistribution policies tends to substitute for giving. In a 1996 General Social Survey, those who disagreed with the question, "The government has a responsibility to reduce income inequality" gave more to every type of cause and charity, including non-religious charities, human welfare agencies, and traditionally liberal causes such as the environment and the arts. This trend holds whether or not the government actually implements a policy to address inequality.

Public policy should reflect the importance of charity in America. In short, when it comes to economic inequality, liberal political opinions seem to substitute for private action. Because research reveals that giving leads to greater prosperity and a higher quality of life for the poor, the national debate concerning poverty should consider the significance of private charity in addressing this question.

The Christmas season reminds us that wise men give gifts. Giving sets off a cycle of blessing that benefits giver, receiver, and society alike. A wise government knows that is something its policies cannot replicate, but must respect

*Ryan Messmore in the William E. Simon Fellow in the DeVos Center for Religion and Civil Society at The Heritage Foundation.*

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All market data delayed 20 minutes.

**Nancy Manly**

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**From:** Amber J. Scott [ascott@denalystatebank.com]  
**Sent:** Monday, March 12, 2007 1:27 PM  
**To:** Rep. Bob Lynn  
**Cc:** dmcmillian@forakergroup.org  
**Subject:** HB 166

March 12, 2007

The Honorable Bob Lynn  
State Capitol, RM 104  
Juneau, Alaska 99801

Dear Representative Lynn,

I am writing today to ask for your support of House Bill 166. This Act will provide Alaskans with a safe and easy way to make charitable donations to their favorite qualified non-profit organizations.

There is a growing demand placed on Alaska's non-profit organizations. Our state depends on those groups to fill in funding gaps and to do more with less. In the face of those challenges, non-profit groups try to stretch their dollars farther and build their sustainability. One way to assist in that process is to add donated money from Alaskans to the public dollars contributed by the government.

Denali State Bank is a community bank and we are deeply committed to this community and state. Our lending philosophies and the active role our staff plays in our community is a great testament to our corporate responsibility. We have 11 officers that sit on 15 boards of nonprofit organizations, and I am extremely proud of that. There is seldom a community event, whether it is Chamber-sponsored through the American Cancer Society, United Way or Boys and Girls Club, that we are not involved in. Because of our direct involvement in so many non-profit organizations, we understand the financial challenges that these organizations face.

The non-profit sector plays a huge role in our State's economy. Alaska's public charities spent over \$3.4 billion in 2004. 1 in 10 Alaskan workers is employed by a non-profit organization, and those payrolls total over \$1.151 billion last year. Presently our Alaskan non-profits are overly dependant upon the federal government for support. Currently almost \$1 billion a year comes from federal support. Wouldn't it be nice if Alaskan's had a safe, easy way to contribute individually to the charities of their choice? HB 166 will provide that accessible avenue and alleviate some of the financial burdens on our non-profits.

Thank you in advance for your support of HB 166, and for supporting the important work of Alaska's non-profit sector.

Sincerely,

Jyotsna Heckman  
CEO & President  
Denali State Bank

3/14/2007

**Nancy Manly**

---

**From:** Dennis McMillian [dmcmillian@forakergroup.org]

**Sent:** Tuesday, March 06, 2007 12:58 PM

**To:** Rep. Bob Lynn

Dear Representative Lynn:

We are writing you today to ask that you support House Bill 166, an Act that will bring one of the most exciting and positive changes to the Alaska's nonprofit sector since statehood, by providing Alaskans with a mechanism for making charitable donations to their favorite qualified nonprofits, and giving all of us an easy and safe way to support the very worthwhile Alaskan nonprofit sector too.

In the recent ISER study on the economic impact of the nonprofit sector, we confirmed that the nonprofit sector is a major part of the state's economy; the sector makes significant expenditures in the state, especially Alaska's public charities, which spent over \$3.4 billion in 2004; the sector provides a growing employment base across the state, such that one in 10 Alaska workers (31,000) is employed by a nonprofit for a total payroll of over \$1.151 billion and with 42,000 jobs in Alaska that can be traced back to the public charity organizations within the nonprofit sector. However it also shows that Alaska nonprofits are overly dependent on federal government dollars for their ongoing operations, at over \$1 billion last year alone.

Alaska has great potential to significantly increase its charitable giving and increase its non-governmental sustainability. While some organizations do a good job of fundraising in Alaska, the same study shows that as a percentage of total income, Alaska's nonprofits generate half of the national average from charitable contributions. We need to change that. When every Alaskan receiving a Permanent Fund Dividend is asked to consider making a donation to a qualified organization, our hope is that it will encourage more Alaskans to start giving back to support their community.

The Rasmuson Foundation has agreed to pay for all the administrative costs to establish such a program and continue to fund the overhead for the first three years while Alaskans learn to give in this innovative way. A process has already been developed to approve a variety of nonprofit organizations throughout the state, eliminating the tendency for just one or two organizations to benefit from this effort.

Thank you for your support of HB 166, and for supporting the important work of Alaska's nonprofit sector.

Sincerely,

Dennis G. McMillian  
President  
The Foraker Group



## REPRESENTATIVE BILL THOMAS

ALASKA STATE LEGISLATURE DISTRICT 5

e-mail: [Representative.Bill.Thomas@legis.state.ak.us](mailto:Representative.Bill.Thomas@legis.state.ak.us)

webpage: [www.akrepublicans.org/thomas/](http://www.akrepublicans.org/thomas/)

State Capitol

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## MEMORANDUM

DATE: 3-6-07

TO: Representative Lynn, House State Affairs Chairman

FROM: Representative Thomas

RE: HB 166 Permanent Fund Dividend Contributions

---

I respectfully request that the House State Affairs Committee hear HB 166 Permanent Fund Dividend Contributions at its earliest convenience. HB 166 allows people to check off on their PFD application an amount of money that they may want to donate to an approved charity. This program is designed to make it convenient for people to make donations to groups that benefit our communities.

If you have any questions please don't hesitate to contact my staff, Kaci Schroeder Hotch.  
Thank you.