

LEG. FINANCE - BILLS 1983 - 1984 1946

CCRB 517 cont. - CSHB 575

1946

authorized to handle the increased caseload in Anchorage during this period.

Included in this population growth is a disproportionate number of young, highly transient males who account for a considerable portion of the increase in serious criminal cases in the Anchorage area. Although many of the presently backlogged criminal cases consist of minor offenses, there has also been a disturbing increase in the number of sexual assault cases involving children and in the number of complex homicide cases. Both types of cases require substantial additional judicial and prosecution resources in order to ensure that they are properly handled.

Historically, there has been a direct correlation between the number of judges in a particular district and the number of prosecutors required to handle court calendars. This correlation has in the past and ideally should continue to equal one prosecutor for each full-time judge. This balance is required in order to ensure that cases are effectively and efficiently processed.

When only felony cases are considered, the addition of one full-time superior court judge realistically requires the addition of two new prosecutors. While the judge presides over a case and hears the evidence, it is the prosecutors who must

prepare the case and present it in court. Proper preparation of a complex felony case is extremely time consuming. It may easily take twice as long to prepare a complex murder, fraud, or sexual assault case as it does to actually try the case. In Anchorage, pretrial motions and other case preparation matters are generally handled by a motions judge, while the actual trial is handled by a trial judge. Thus, while one prosecutor is in trial on a case, another prosecutor must be busy preparing the cases which are next set for trial.

Over the past few years the balance between judges and prosecutors in the Third Judicial District has tipped towards the judicial side of the scales. There are currently 14 authorized superior court judges and eight district court judges in the Third Judicial District. In addition, there are four full-time magistrates in the district who also have authority to serve as district judges, thus bringing the number of full-time judges to 26, as opposed to 23 prosecuting attorneys.

The number of prosecutors has not kept pace with the number of judges due to legislatively authorized increases in the number of judicial positions in the last five to six years. These authorized increases have not consistently included additional prosecuting attorney resources. To an extent, the Department of Law has been able to handle most case settings as a result of economies of scale realized over the past several

years. However, the department is rapidly falling behind in its ability to adequately cover present court calendars, particularly in the rural areas which are directly serviced or supplemented by personnel from the Anchorage District Attorney's Office. This problem will become particularly severe if the additional judicial positions contained in SCS CSHB 571 (Jud) are added without an increase in prosecuting attorney positions.

The Criminal Division of the department will not be able to continue to handle all of the cases and court calendars, particularly with the addition of these new judges, without additional prosecution resources. This imbalance between judges and prosecutors will be particularly severe at the district court level because of the higher volume of cases, although there will also be an impact at the superior court level because of the need to assign criminal cases to the new superior court judges in Anchorage.

In his State of the Judiciary message to the Legislature on February 28, 1984, Chief Justice Burke anticipated that the new superior court judge which he had requested would be assigned to the criminal division. See Senate and House Joint Journal Supplement No. 20 at pages 7-8. The administrative office of the Court System has indicated that, if funding is provided for two new superior court judges,

one of these judges will be assigned full-time to handle felony criminal cases.

Recognizing that the four new judges who may be funded in connection with SCS CSHB 571 (Jud) will devote some proportion of their time to civil cases, we are requesting that the District Attorney's Office at Anchorage be increased by two full-time and one half-time attorney positions, one paralegal assistant and two legal secretaries. One full-time attorney and the half-time attorney will be assigned to handle major felony prosecutions in the superior court, with emphasis on sexual assault and homicide cases. The other full-time attorney will be assigned to handle district court misdemeanor cases exclusively.

The Criminal Division believes that it can, for the present, adequately cover the caseload through the addition of two and one-half attorneys, through the use of the additional paralegal assistant (at substantially less cost) to assist in case preparation and the coordination of witnesses. The two legal secretary positions are essential to provide support services in the processing of these cases and to handle the work that will be generated by the attorneys and the paralegal. The total costs associated with these positions is \$316,900. This is \$123,100 less than \$440,000, which would be required if

funding were provided for all of the six new judicial positions authorized in SCS CSHB 571 (Jud).

Attached is a summary sheet which breaks this cost down by each position and relevant budgetary object code.

Fiscal Note Analysis
SCS CSHB 571 (Jud)

May 23, 1984

FY 85
Cost Schedule

<u>Object</u>	(2) <u>Atty IV</u> (1PFT/1 PPT)	(1) <u>Atty III</u>	(1) <u>Paralegal</u> <u>Asst II</u>	(2) <u>Leg.</u> <u>Sec I</u>	<u>Total</u>
Personal Services	77.8	45.0	30.4	43.9	197.1
Travel - Witness travel subsistence, staff travel	7.5	3.8	3.8	-0-	15.2
Contractual Services					
Office commo., equip. repair	7.2	3.6	3.6	3.6	18.0
Copy - postage					
WP Maintenance				2.7	2.7
Space Rental	7.8	3.9	3.1	6.1	20.9
Expert Witness/ Witness Costs	7.5	3.8			11.3
					<u>52.9</u>
Commodities - ongoing					
Office consumables	2.7	1.3	1.3	2.7	8.0
Law library	1.7	.9	.9	-0-	3.5
Commodities - <u>one time</u>					
New position materials	2.4	1.2	1.2	2.4	7.2
					<u>18.7</u>
Equipment - <u>one time</u>					
New position equip. Word Processor	3.0	1.5	1.5	3.0 24.0	9.0 24.0
					<u>33.0</u>
TOTALS:	<u>117.7</u>	<u>65.0</u>	<u>45.8</u>	<u>88.4</u>	<u>316.9</u>

First-year, FY 85 costs are for 9 months and correspond with the court system's schedule for adding new judges in the Third Judicial District.

Costs beyond FY 85 are on a 12-month basis and include a 6% annual inflation factor.

Fiscal Note Analysis
SCS CSHB 571 (Jud)

May 23, 1984

FY 85
Cost Schedule

<u>Object</u>	(2) <u>Atty IV</u> (1PFT/1 PPT)	(1) <u>Atty III</u>	(1) <u>Paralegal</u> <u>Asst II</u>	(2) <u>Leg.</u> <u>Sec I</u>	<u>Total</u>
Personal Services	77.8	45.0	30.4	43.9	197.1
Travel - Witness travel subsistence, staff travel	7.6	3.8	3.8	-0-	15.2
Contractual Services					
Office commo., equip. repair	7.2	3.6	3.6	3.6	18.0
Copy - postage					
WP Maintenance				2.7	2.7
Space Rental	7.8	3.9	3.1	6.1	20.9
Expert Witness/ Witness Costs	7.5	3.8			11.3
					<u>52.9</u>
Commodities - ongoing					
Office consumables	2.7	1.3	1.3	2.7	8.0
Law library	1.7	.9	.9	-0-	3.5
Commodities - <u>one time</u>					
New position materials	2.4	1.2	1.2	2.4	7.2
					<u>18.7</u>
Equipment - <u>one time</u>					
New position equip.	3.0	1.5	1.5	3.0	9.0
Word Processor				24.0	24.0
					<u>33.0</u>
TOTALS:	<u>117.7</u>	<u>65.0</u>	<u>45.8</u>	<u>88.4</u>	<u>316.9</u>

First-year, FY 85 costs are for 9 months and correspond with the court system's schedule for adding new judges in the Third Judicial District.

Costs beyond FY 85 are on a 12-month basis and include a 6% annual inflation factor.

1.	POSITION TITLE ATTORNEY IV				RANGE/STEP 24A	DARG. UNIT PX	FORM 12 PAGE/LINE	COV.	APPROV.	DISAP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 9	HP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT 8	LEC.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE				AMOUNT					
	1		2		3					
	PERSONAL SERVICES									
5.	Salary	4,464 x 9	40,176							
6.	Benefits		6,589							
7.	Supplemental Benefits		2,463							
8.	Fixed Benefits		1,972							
9.	TOTAL PERSONAL SERVICES		01		51,200					
10.	Travel		02		3,800					
11.	Contractual		03		11,250					
12.	Commodities		04		3,400					
13.	Equipment		05		1,500					
14.	Other									
15.	TOTAL COST				71,150					
RECEIPT CODE FUNDING SOURCE										
16.			Federal Receipts 1002							
17.			G.F. Match 1003							
18.			General Funds 1004		71,150					
19.			I-A Receipts 1005							
20.			Program Receipts 1020							
21.			Other							
FOR U&M USE ONLY										
4A KEY NUMBER _____										

This is the first of three attorney positions (two full-time and one part-time) that are being requested to provide the additional prosecution services that will be needed to handle an expanded court calendar when the number of judgeships in Anchorage is increased. This position will handle sexual assault cases in the superior court, particular those involving children, and the position will also handle misdemeanor cases in the district court. Allocation to the full working level of Attorney IV is recommended because of the requirement to handle sensitive crimes independently.

13 REQUEST FOR NEW POSITION

AGENCY DEPARTMENT OF LAW

PROGRAM DUE PROCESS

BRU PROSECUTION

THIRD JUDICIAL DISTRICT

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Revised Date

FY 85

1.	POSITION TITLE ATTORNEY IV				RANGE/STEP 24A	ORG. UNIT PX	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAP.
2.	TYPE OF POSITION PPT	STAFF MONTHS 9	IRP NUMBER	PCN NUMBER	ORU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT 8	LEC.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	ADDITION									
4.	TYPE OF EXPENDITURE			AMOUNT						
	1			2			3			
	PERSONAL SERVICES									
5.	Salary 2,232 x 9			20,008						
6.	Benefits			3,294						
7.	Supplemental Benefits			1,231						
8.	Fixed Benefits			1,972						
9.	TOTAL PERSONAL SERVICES			01			26,585			
10.	Travel			02			3,800			
11.	Contractual			03			11,250			
12.	Commodities			04			3,400			
13.	Equipment			05			1,500			
14.	Other									
15.	TOTAL COST						46,535			
	RECEIPT CODE			FUNDING SOURCE						
16.				Federal Receipts 1002						
17.				G.F. Match 1003						
18.				General Funds 1004						
19.				I-A Receipts 1005						
20.				Program Receipts 1020						
21.				Other						
FOR USM USE ONLY										
4A KEY NUMBER _____										

This is the second of three attorney positions (two full-time and one part-time) that are being requested to provide the additional prosecution services that will be needed to handle an expanded court calendar when the number of judgeships in Anchorage is increased. This position will handle the more complex misdemeanors and it will also assist with the prosecution of growing number of complex homicides. Allocation to the full working level of Attorney IV is recommended because of the requirement to handle sensitive crimes independently.

13 REQUEST FOR
NEW POSITION

AGENCY DEPARTMENT OF LAW
PROGRAM DUE PROCESS
ORU PROSECUTION
THIRD JUDICIAL DISTRICT

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Revised Date

FY 85

1.	POSITION TITLE ATTORNEY III				RANGE/STEP 22A	BARG. UNIT PX	FORM 12 PAGE/LINE	COV.	APPROV.	DISAP	
2.	TYPE OF POSITION PFT	STAFF MONTHS 9	RP NUMBER	PCN NUMBER	DRU PRIORITY	LOCATION Anch.	ELECTION DISTRICT 8	LEG.			
3.	CONTINUATION LEVEL	ADDITION			JUSTIFICATION						
4.	TYPE OF EXPENDITURE				AMOUNT						
	1		2		3						
	PERSONAL SERVICES										
5.	Salary	3900 x 9	35,100								
6.	Benefits		5,756								
7.	Supplemental Benefits		2,152								
8.	Fixed Benefits		1,972								
9.	TOTAL PERSONAL SERVICES		01	44,980							
10.	Travel		02	3,800							
11.	Contractual		03	11,250							
12.	Commodities		04	3,400							
13.	Equipment		05	1,500							
14.	Other										
15.	TOTAL COST			64,930							
RECEIPT CODE											
FUNDING SOURCE											
16.		Federal Receipts		1002							
17.		G.F. Match		1003							
18.		General Funds		1004	64,930						
19.		I-A Receipts		1005							
20.		Program Receipts		1020							
21.		Other									
FOR D&M USE ONLY											
4A KEY NUMBER											

This is the third of three attorney positions being requested to handle the expanded court calendar that will occur when six new judges are added in the Third Judicial District at Anchorage. This position will be assigned to district court matters and handle the growing backlog of misdemeanor cases that has been caused by a rapidly growing population. Allocation to the Attorney III grade is recommended because of the level of criminal violations to be prosecuted by the position.

AGENCY DEPARTMENT OF LAW

PROGRAM DUE PROCESS

DRU PROSECUTION

THIRD JUDICIAL DISTRICT

13 REQUEST FOR
NEW POSITION

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Revised Date

FY 85

1.	POSITION TITLE PARALEGAL ASSISTANT II			RANGE/STEP 16A	ORG. UNIT GGU	FORM 12 PAGE/LINE	GOV.	APPROV.	DISA
2.	TYPE OF POSITION PFT	STAFF MONTHS 9	HP NUMBER	PCN NUMBER	DRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT 8	LEG.	

3.	CONTINUATION LEVEL	ADDITION	
4.	TYPE OF EXPENDITURE		AMOUNT
	1	2	3
	PERSONAL SERVICES		
5.	Salary 2,573 x 9	23,157	
6.	Benefits	3,798	
7.	Supplemental Benefits	1,420	
8.	Fixed Benefits	2,048	
9.	TOTAL PERSONAL SERVICES	01	30,423
10.	Travel	02	3,800
11.	Contractual	03	6,700
12.	Commodities	04	3,400
13.	Equipment	05	1,500
14.	Other		
15.	TOTAL COST		45,823

JUSTIFICATION

This paralegal position is requested to provide victim/witness assistance services to the victims of child sexual abuse. A part of the growing case backlog that caused by the courts to seek additional judges at Anchorage has been a disturbing increase in the number of child sexual abuse cases. The victims of this abuse often have the additional ordeal of appearing in court as witnesses against the persons who have abused them. Paralegal assistants have proven invaluable in interviewing and assisting these victims in a manner that assures their well-being as witnesses.

	RECEIPT CODE	FUNDING SOURCE	
16.		Federal Receipts 1002	
17.		G.F. Match 1003	
18.		General Funds 1004	
19.		I-A Receipts 1005	45,823
20.		Program Receipts 1020	
21.		Other	

FOR D&M USE ONLY
4A KEY NUMBER _____

13 REQUEST FOR
NEW POSITION

AGENCY DEPARTMENT OF LAW
PROGRAM DUE PROCESS
DRU PROSECUTION
COMPONENT THIRD JUDICIAL DISTRICT

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Revised Date _____

FY 85

1.	POSITION TITLE LEGAL SECRETARY I				RANGE/STEP 10B	DARG. UNIT GGU	FORM 12 PAGE/LINE	GOV.	APPROV.	DISA
2.	TYPE OF POSITION PPT	STAFF MONTHS 9	RP NUMBER	PCN NUMBER	DRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT 8	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT						
	1			2		3				
	PERSONAL SERVICES									
5.	Salary	1803		16,227						
6.	Benefits			2,661						
7.	Supplemental Benefits			995						
8.	Fixed Benefits			2,048						
9.	TOTAL PERSONAL SERVICES			01	21,931					
10.	Travel			02	-0-					
11.	Contractual			03	6,200					
12.	Commodities			04	2,550					
13.	Equipment			05	13,500					
14.	Other									
15.	TOTAL COST				44,181					
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		C.F. Match 1003								
18.		General Funds 1004		44,181						
19.		I-A Receipts 1005								
20.		Program Receipts 1020								
21.		Other								
FOR U&H USE ONLY										
4A KEY NUMBER _____										

This is the first of two positions being requested to provide the clerical support required to handle the paperwork that will be generated by the three attorneys and the paralegal who are being added in response to the six judges being added at Anchorage. This position will provide communications, staff scheduling, filing and produce the court documents generated by the new legal positions. Allocation of the position to Legal Secretary I level is therefore recommended.

13 REQUEST FOR
NEW POSITION

AGENCY DEPARTMENT OF LAW
PROGRAM DUE PROCESS
DRU PROSECUTION
COMPONENT THIRD JUDICIAL DISTRICT

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Revised Date

FY 85

1.	POSITION TITLE LEGAL SECRETARY I			RANGE/STEP 10B	DARG. UNIT GGU	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 9	RP NUMBER	PCN NUMBER	DRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT 8	LEG.	
3.	CONTINUATION LEVEL	ADDITION	JUSTIFICATION						
4.	TYPE OF EXPENDITURE			AMOUNT					
	1	2	3						
	PERSONAL SERVICES								
5.	Salary 1803 x 9	16,227							
6.	Benefits	2,661							
7.	Supplemental Benefits	995							
8.	Fixed Benefits	2,048							
9.	TOTAL PERSONAL SERVICES	01	21,931						
10.	Travel	02	-0-						
11.	Contractual	03	6,200						
12.	Commodities	04	2,550						
13.	Equipment	05	13,500						
14.	Other								
15.	TOTAL COST		44,181						
	RECEIPT CODE	FUNDING SOURCE							
16.		Federal Receipts	1002						
17.		G.F. Match	1003						
18.		General Funds	1004	44,181					
19.		I-A Receipts	1005						
20.		Program Receipts	1020						
21.		Other							
FOR B&H USE ONLY									
4A KEY NUMBER _____									

This is the second of two positions being requested to provide the clerical support required to handle the paperwork that will be generated by the three attorneys and the paralegal who are being added in response to the six judges being added at Anchorage. This position will provide communications, staff scheduling, filing and produce the court documents generated by the new legal positions. Allocation of the position to Legal Secretary I level is therefore recommended.

13 REQUEST FOR
NEW POSITION

AGENCY DEPARTMENT OF LAW
PROGRAM DUE PROCESS
DRU PROSECUTION
COMPONENT THIRD JUSICIAL DISTRICT

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Revised Date

FY 85

COMMITTEE REPORT
SENATE

FURTHER:

FINANCE

5/7/84

Date

May 16, 1984

Mr. President

The Committee on JUDICIARY considered CSHB 571(Fin)

venue of actions in superior court and the number of superior and district court judges; efd.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/~~or adopt~~ 5 CS for CSHB 571 (Jud)
- new title
- same title and recommends & do pass
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS

3

Joe Josephson

D. Williams

DeWitt

Bill Ray

Chairman

DO PASS

Chairman recommendation

Not Current

**STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST:

Bill/Resolution No.: SCS CS HB 571 (Jud)
Title: "An Act relating to the number of superior and district court judges..."
Sponsor: Senate Judiciary Committee
Requestor: _____
Date of Request: _____

FISCAL DETAIL:

Agency Affected: DEPARTMENT OF CORRECTIONS
Program Category Affected: _____
Administration of Justice
BRU, Program or Subprogram(s) Affected: _____
Southcentral and Northern Regional Corrections

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		149.5	158.5	168.0	178.1	188.7
200 TRAVEL		2.7	2.9	3.0	3.2	3.4
300 CONTRACTUAL		18.6	19.7	20.9	22.2	23.5
400 COMMODITIES		2.4	2.5	2.7	2.9	3.0
500 EQUIPMENT		7.5	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	180.7	183.6	194.6	206.4	218.6

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	180.7	183.6	194.6	206.4	218.6
FEDERAL FUNDS						
OTHER (Specify Source)						
TOTAL	-0-	180.7	183.6	194.6	206.4	218.6

POSITIONS:

FULL-TIME	-0-	4	4	4	4	4
PART-TIME						
TEMPORARY						
TOTAL	-0-	4	4	4	4	4

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Funds to offset the fiscal impact of this bill have not been identified by the bill sponsor.

ANALYSIS: Attach a separate page for any Analysis.

Prepared By: Roger C. Lange
 Division: Administrative Services

Phone: 465-3376
 Date: May 21, 1984

Approved by Commissioner: Roger J. Endell by William Wading
 Department: DEPARTMENT OF CORRECTIONS

Date: May 21, 1984

Distribution:

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency (ies)

ANALYSIS

A. Assumptions:

The addition of two superior court judges will not affect input but will increase the number of pre-investigation reports in a given time period. We can expect approximately a 15% increase in the number of presentence investigation requests and persons sentenced. It is also recognized that additional judges are needed because of the increasing number of persons arrested for felony offenses. Approximately 600 presentence investigations are currently completed each year in Southcentral Alaska. Therefore, it is estimated that 90 additional presentence investigations will be necessary. A full time presentence investigator/report writer (P.O. II) will publish 96 reports per year (8 per month). A full time caseload supervisor can successfully supervise 60 to 70 clients. Therefore, an additional Probation Officer II will be needed for this function. The addition of four (4) district court judges is expected to create, at a minimum, one full time case load for a Probation Officer II writing presentence reports and supervising misdemeanor offenders on probation. One clerical position is necessary to provide support for the three (3) probation officers.

A 6% inflation rate is assumed for all fiscal years subsequent to 1985.

B. Program Summary:

Positions

1. Three Probation Officers II	<u>Each</u>	<u>Total</u>
Personal Services	\$41,007	123,021
Travel	900	2,700
Contractual (rent, telephone, etc.)	5,000	15,000
Commodities (office supplies)	600	1,800
Equipment (desk, chair, etc.)	<u>1,500</u>	<u>4,500</u>
Total	\$49,007	\$147,021
2. Clerk-Typist III (clerical support)		
Personal Services	\$26,502	
Contractual (rent, copy supplies)	3,600	
Commodities (office supplies)	600	
Equipment (typewriter, desk, etc.)	<u>3,000</u>	
Total	\$33,702	

FISCAL NOTE
CS for House Bill No. 571 (Finance)
Page 3

C. Economic Impact:

It is anticipated that there will be no impact on the State's economy if this proposed legislation is enacted.

D. Impact on Local Governments:

It is anticipated that there will be no fiscal impact on any local governmental unit if this proposed legislation is enacted.

1.	POSITION TITLE Probation Officer II				RANGE/STEP 16A	BARG. UNIT GGU	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE									
	1		2		3					
	PERSONAL SERVICES									
5.	Salary	\$2,573/mo.	30,876							
6.	Benefits		5,510							
7.	Supplemental Benefits		1,893							
8.	Fixed Benefits		2,728							
9.	TOTAL PERSONAL SERVICES		01	41,007						
10.	Travel		02	900						
11.	Contractual		03	5,000						
12.	Commodities		04	600						
13.	Equipment		05	1,500						
14.	Other									
15.	TOTAL COST			49,007						
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Match 1003								
18.		General Funds 1004		49,007						
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								
FOR B&M USE ONLY										
4A KEY NUMBER _____										

The position request is to provide a staff person to write pre-sentence reports for the court. It is estimated that the addition of a superior court judgeship will result in an additional 90 presentence investigations and reports annually. A journeyman Probation Officer conducts approximately 96 investigations with reports per year.

This additional workload cannot be absorbed by the currently authorized staff.

REQUEST FOR
13 NEW POSITION

AGENCY Adult Corrections
Offender Confinement, Reformation
PROGRAM and Supervision

BRU Southcentral Regional Corrections

COMPONENT Southcentral Regional Probation

FY 85

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Revised Date _____

1.	POSITION TITLE Probation Officer II				RANGE/STEP 16A	BARG. UNIT GGU	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT	LEG.		
3.	CONTINUATION LEVEL				JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT						
	1	2	3							
PERSONAL SERVICES										
5.	Salary	2,573/mo.	30,876							
6.	Benefits		5,510							
7.	Supplemental Benefits		1,893							
8.	Fixed Benefits		2,728							
9.	TOTAL PERSONAL SERVICES		01	41,007	<p>The position request is to provide a case supervisor level Probation Officer. It has been the experience of this agency that within a year from the creation of a superior court judgeship, a full caseload of persons requiring supervision on probation/parole exists.</p> <p>The incumbent will provide the entire gamut of probation services/supervision to persons legally requiring the same.</p> <p>This additional workload cannot be absorbed by the currently authorized staff.</p>					
10.	Travel		02	900						
11.	Contractual		03	5,000						
12.	Commodities		04	600						
13.	Equipment		05	1,500						
14.	Other									
15.	TOTAL COST			49,007						
RECEIPT CODE FUNDING SOURCE										
16.				Federal Receipts	1002					
17.				G.F. Match	1003					
18.				General Funds	1004	49,007				
19.				I-A Receipts	1005					
20.				Program Receipts	1028					
21.				Other						
FOR B&M USE ONLY										
4A KEY NUMBER										

REQUEST FOR
13 NEW POSITION

AGENCY Adult Corrections
PROGRAM Offender Confinement, Reformation
and Supervision

BRU Southcentral Regional Corrections

COMPONENT Southcentral Regional Probation

FY 85

Page 2 of 4

Revised Date

1.	POSITION TITLE Probation Officer II			RANGE/STEP 16A	BARG. UNIT GGU	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT	LEG.	
3.	CONTINUATION LEVEL		ADDITION		JUSTIFICATION				
4.	TYPE OF EXPENDITURE			AMOUNT	<p>The addition of four (4) district court judges in the Third Judicial District will create, at an estimated minimum, one full-time misdemeanor probation caseload. The incumbent will write pre-sentence reports, supervision of the probationers, establish collateral contacts, make progress reports, etc.</p> <p>This additional workload cannot be absorbed by the currently authorized staff.</p>				
	1	2	3						
	PERSONAL SERVICES								
5.	Salary	\$2,573/mo.	30,876						
6.	Benefits		5,510						
7.	Supplemental Benefits		1,893						
8.	Fixed Benefits		2,728						
9.	TOTAL PERSONAL SERVICES		01	41,007					
10.	Travel		02	900					
11.	Contractual		03	5,000					
12.	Commodities		04	600					
13.	Equipment		05	1,500					
14.	Other								
15.	TOTAL COST			49,007					
	RECEIPT CODE	FUNDING SOURCE							
16.		Federal Receipts 1002							
17.		C.F. Match 1003							
18.		General Funds 1004		49,007					
19.		I-A Receipts 1005							
20.		Program Receipts 1028							
21.		Other							
FOR B&M USE ONLY									
4A KEY NUMBER _____									

REQUEST FOR
13 NEW POSITION

AGENCY Adult Corrections
Offender Confinement, Reformation
PROGRAM and Supervision

BRU Southcentral Regional Corrections

COMPONENT Southcentral Regional Probation

FY 85

Page 3 of 4

Revised Date

1.	POSITION TITLE Clerk-Typist III			RANGE/STEP 8B	BARG. UNIT GGU	FORM 12	PAGE/LINE	COV.	APPROV.	DISAPP.
2.	TYPE OF POSITION PFT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Anchorage	ELECTION DISTRICT	LEG.		
3.	CONTINUATION LEVEL			ADDITION	JUSTIFICATION					
4.	TYPE OF EXPENDITURE			AMOUNT	<p>This position will support three (3) Probation Officer II positions. This incumbent will have a significant amount of typing with lengthy pre-sentence reports and casefile entries for an estimated 60 to 70 probationer/parolees. In addition to the typing, there will be receptionist responsibilities, filing, photo copying, periodically making travel arrangements for professional staff, etc.</p> <p>The workload created by the addition of three probation officers could not be absorbed by the currently authorized staff.</p>					
	1	2	3							
	PERSONAL SERVICES									
5.	Salary	\$1,598/mo.	19,176							
6.	Benefits		3,423							
7.	Supplemental Benefits		1,175							
8.	Fixed Benefits		2,728							
9.	TOTAL PERSONAL SERVICES		01	26,502						
10.	Travel		02							
11.	Contractual		03	3,600						
12.	Commodities		04	600						
13.	Equipment		05	3,000						
14.	Other									
15.	TOTAL COST			33,702						
	RECEIPT CODE	FUNDING SOURCE								
16.		Federal Receipts 1002								
17.		G.F. Match 1003								
18.		General Funds 1004		33,702						
19.		I-A Receipts 1005								
20.		Program Receipts 1028								
21.		Other								
FOR B&M USE ONLY										
4A KEY NUMBER _____										

<p>REQUEST FOR 13 NEW POSITION</p>
--

AGENCY	<u>Adult Corrections</u>
PROGRAM	<u>Offender Confinement, Reformation and Supervision</u>
BRU	_____
COMPONENT	_____

FY 85

Page 4 of 4
Revised Date

DEPARTMENT OF CORRECTIONS
Pouch T
Juneau, Alaska 99811

POSITION PAPER
SCS CS HB 571 (Judiciary)

Senate Committee Substitute for Committee Substitute for House Bill No. 571 (Finance) would create two additional superior court judgeships and four additional district court judgeships. The two superior court judges would be assigned to the third judicial district. The district court judgeships would be numerically realigned as well as adding four new judges in the third judicial district.

Overcrowding in the correctional system exists statewide, but is particularly severe at the Cook Inlet Pretrial Facility. Convicted felons spend an average of 118 days in that facility from date of arrest for the crime to date of sentencing after their trial. It is our considered opinion that the length of time from arrest to sentencing can be reduced with the addition of judges. While it will not reduce the total inmate population, it will permit the transfer of sentenced offenders to other facilities, as considered appropriate through the classification process. This enhancement of moving inmates out of the Cook Inlet Pretrial Facility will take some of the pressure off that facility.

The Department of Corrections supports the concept of this bill.

Prepared by:

Roger C. Lange
Roger C. Lange
Internal Management Administrator

Date:

May 21, 1984

Approved by:

Roger V. Endell by William W. Ludwig
Roger V. Endell
Commissioner
Department of Corrections

Date:

May 21, 1984

Offered: 4/30/84
Referred: Rules

Original sponsors: Abood and Bussell

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

CS FOR HOUSE BILL NO. 571 (Finance)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to venue of actions in superior
7 court and the number of superior and district court
8 judges; and providing for an effective date."

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

10 * Section 1. AS 22.10.030 is amended by adding a new subsection to
11 read:

12 (g) The chief justice of the supreme court may make exceptions
13 to the requirements of this section if, consistent with the state and
14 federal constitutions, the chief justice determines that transporta-
15 tion facilities reasonably require venue in an urban center in an
16 adjoining judicial or senate district.

17 * Sec. 2. AS 22.10.120 is amended to read:

18 Sec. 22.10.120. NUMBER OF JUDGES. The superior court consists
19 of 29 [27] judges, five of whom shall be judges in the first judicial
20 district, three of whom shall be judges in the second judicial dis-
21 trict, 16 [14] of whom shall be judges in the third judicial district,
22 and five of whom shall be judges in the fourth judicial district. At
23 the time of submitting the names of nominees to the governor to fill a
24 vacancy on the superior court bench, the judicial council shall also
25 designate the district in which the appointee is to reside and serve.

26 * Sec. 3. AS 22.15.020(a) is amended to read:

27 (a) Except as hereinafter provided, each district court of the
28 State of Alaska shall have the number of district judges set out below
29 opposite the name of the judicial district over which the court has

1 **jurisdiction:**

2 **First Judicial District 2 [3]**

3 **Second Judicial District 0 [1]**

4 **Third Judicial District 12 [4]**

5 **Fourth Judicial District 4 [2]**

6 *** Sec. 4. This Act takes effect immediately in accordance with AS 01.-**
7 **10.070(c).**

Original sponsors: Barnes, Hayes,
Bussell, et al

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 575 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to permanent fund dividends; and
7 providing for an effective date."

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

9 * Section 1. AS 43.23.005 is amended by adding a new subsection to
10 read:

11 (d) Notwithstanding the provisions of (a) - (c) of this section,
12 an individual who has been convicted of a felony is not eligible for a
13 permanent fund dividend for a year when, during all or part of the
14 eligibility period for that year's dividend, as a result of the con-
15 viction the individual is incarcerated for the felony. An individual
16 incarcerated in accordance with this subsection is considered to be
17 ineligible whether or not the individual has applied for the dividend.

18 * Sec. 2. AS 43.23.025 is amended by adding a new subsection to read:

19 (b) for the purpose of calculating the amount of a permanent
20 fund dividend under (a) of this section an individual who is ineli-
21 gible to receive a dividend under the provisions of AS 43.23.005(d)
22 shall be considered to be an eligible individual.

23 * Sec. 3. AS 43.23.055 is amended to read:

24 Sec. 43.23.055. DUTIES OF THE DEPARTMENT. The department shall

25 (1) annually pay permanent fund dividends from the dividend
26 fund;

27 (2) adopt regulations under the Administrative Procedure
28 Act (AS 44.62) that establish procedures and time limits for claiming
29 a permanent fund dividend; the department shall set the time limit for

1 applications for permanent fund dividends so that the number of eli-
2 gible applicants is determined by December 1 of the year for which the
3 dividend is declared and permanent fund dividends for a year are paid
4 before April 30 of the year following that year;

5 (3) adopt regulations under the Administrative Procedure
6 Act (AS 44.62) that establish procedures and time limits for an indi-
7 vidual upon emancipation or upon reaching majority to apply for perma-
8 nent fund dividends not received during minority because the parent,
9 guardian, or other authorized representative did not apply on behalf
10 of the individual;

11 (4) assist residents of the state, particularly in rural
12 areas, who because of language, disability, or inaccessibility to
13 public transportation need assistance to establish eligibility and to
14 apply for permanent fund dividends;

15 (5) annually determine, in cooperation with the Department
16 of Health and Social Services, the number and identity of individuals
17 ineligible for a permanent fund dividend under AS 43.23.005(d);

18 (6) adopt other regulations that are necessary to implement
19 the provisions of this chapter.

20 * Sec. 4. This Act applies only to eligibility for permanent fund
21 dividends for years after 1983.

22 * Sec. 5. It is the intent of the legislature that an amount approxi-
23 mately equal to the money that would otherwise be paid as permanent fund
24 dividends to individuals ineligible under AS 43.23.005(d), enacted by sec.
25 1 of this Act be appropriated annually from the dividend fund to the crime
26 victim compensation fund (AS 18.67.162), to be used for the purposes stated
27 in AS 18.67.

28 * Sec. 6. This Act takes effect immediately in accordance with AS 01.-
29 10.070(c).

**STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date 03/07/84

REQUEST

Bill/Resolution No: CSHB 575 (Fin)
Title: An Act relating to permanent fund dividends
Sponsor: House Finance Committee
Requestor: House Finance Committee
Date of Request: March 6, 1984

FISCAL DETAIL

Agency Affected: Revenue
Program Category Affected: General Government
BRU, Program or Subprogram(s) Affected: Permanent Fund Dividend

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES	-	33.6	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	1.0	-	-	-	-
400 SUPPLIES	-	.2	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	34.8	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	34.8	-	-	-	-
TOTAL	-	34.8	-	-	-	-

POSITIONS:

FULL-TIME	-	1	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Dividend fund established by AS 43.23.045.

ANALYSIS: Please see attached narrative for analysis.

Prepared By: Thomas C. Williams, Director
 Division: Enforcement

Phone: 465-2366

Date: March 7, 1984

Approved by Commissioner: [Signature]
 Agency: DOR

Date: 3/7/84

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

Department of Revenue
Analysis of CSHB 575 (Finance)
March 7, 1984

A. Program Effects

Section 1 further defines the eligibility requirements of AS 43.23.005 by adding a new subsection which declares convicted felons who are incarcerated ineligible to receive a permanent fund dividend if they were incarcerated for said felony during any part of the eligibility period for a particular year's dividend. For example, the six-month eligibility period for the 1984 dividend is October 1, 1983 through March 31, 1984. Under this bill, an individual who was incarcerated for a felony conviction during this period or was incarcerated during any part of this period, would be ineligible for a 1984 permanent fund dividend.

Section 1 also provides that the Department of Health & Social Services will provide a magnetic tape to the Department of Revenue, once a year within 60 days of the close of the PFD eligibility period, listing all convicted felons who were incarcerated during any part of the eligibility period. Modifications will need to be made to the PFD system to do a cross-match on at least all adult applications, so those which appear to be felons can be individually identified and reviewed. The Department of Revenue will, of course, have to be extremely careful that a "non-felon" is not accidentally denied on the grounds of felony conviction. The estimated resources necessary to accomplish this task are identified below under C. Program Summary.

Section 2, combined with the added subsections in Section 3, require the Department of Revenue to estimate the number of convicted felons under sentence for felony as described in Section 1.

Under Section 5, the dividends otherwise payable to the estimated number of individuals, whether or not they file, would then be presumably reappropriated the next legislative session to the Crime Victim Compensation Fund. Since the value of an individual dividend is not known until some time in the fall of a given dividend year, the Legislature would not be able to appropriate the amount described in Section 5 until the session following the dividend year. Since the funds were originally appropriated for the purpose of paying dividends, a reappropriation for the purpose described in AS 18.67 would seem appropriate.

B. Assumptions

1. The PFD program is retained and there are no other substantive changes to the program.
2. The Department of Health and Social Services can provide the Department of Revenue with a magnetic tape accurately identifying all convicted felons who were incarcerated during any part of the eligibility period.

Department of Revenue
Analysis of CSRB 575 (Finance)
March 7, 1984

C. Program Summary

This bill would require one full time PFD Investigator who would be assigned felons on a project basis. The primary functions of this position would be to conduct confirming investigations on a portion of applicants identified as felons, resolve instances where an individual was inappropriately identified as a felon, respond to related inquiries, process denials of felons under sentence who do apply, and hold informal conferences related to appeals from felons under sentence. In addition, there would be associated contractual services and supply costs.

Personal Services (100)

PFD Investigator II (R13)	12 months @ \$2,800/mo.	<u>\$33,600</u>
---------------------------	-------------------------	-----------------

Contractual Services (300)

Telephone, form letters, postage, etc.	<u>1,000</u>
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Supplies (400)

General Office Supplies	<u>200</u>
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<u>Total</u>	<u>\$34,800</u>
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FISCAL NOTE

Revision Date 3/6/84

REQUEST

BILL/Resolution No: CSHB 575
Title: An act relating to permanent fund dividends.
Sponsor: Barnes
Requestor: House Finance
Date of Request: _____

FISCAL DETAIL

Agency Affected: Revenue
Program Category Affected: _____
BRU, Program of Subprogram(s) Affected: Permanent Fund Dividend

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES	-	33.6	-	-	-	-
200 TRAVEL	-	-0-	-	-	-	-
300 CONTRACTUAL	-	58.5	-	-	-	-
400 SUPPLIES	-	.2	-	-	-	-
500 EQUIPMENT	-	1.0	-	-	-	-
600 LANDS & STRUCTURES	-	-0-	-	-	-	-
700 GRANTS, CLAIMS	-	-0-	-	-	-	-
800 MISCELLANEOUS	-	-0-	-	-	-	-
TOTAL OPERATING	-	93.3	-	-	-	-
CAPITAL	-	-0-	-	-	-	-
- REVENUE	-	-0-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	93.3	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-0-	-	-	-	-

POSITIONS:

FULL-TIME	-	-1-	-	-	-	-
PART-TIME	-	-0-	-	-	-	-
TEMPORARY	-	-0-	-	-	-	-

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: See attached.

Prepared By: Ervin B. Jones
Division: Administrative Services Division

Phone: 465-2313
Date: 03/06/84

Approved by Commissioner: [Signature]
Agency: Revenue

Date: 3/6/84

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

CS HB 575
Analysis of Bill/Program Effects

Section 1 further defines the eligibility requirements of AS 43.23.005 by adding a new subsection which declares convicted felons under sentence ineligible to receive a permanent fund dividend if they were under sentence for said felony during any part of the eligibility period for a particular year's dividend. For example, the six-month eligibility period for the 1984 dividend is October 1, 1983 through March 31, 1984. Under this bill, an individual who was under sentence for a felony conviction during this period or during any part of this period, would be ineligible for a 1984 permanent fund dividend.

Individuals under sentence include those who are:

- 1) sentenced, but out of jail on appeal
- 2) sentenced, but on probation
- 3) under a suspended sentence
- 4) incarcerated, under sentence
- 5) sentenced, but on parole.

Under this section, the Department of Revenue would have to somehow build a list of those individuals who have been convicted of felonies and who during the eligibility period fell into categories 1-5, above. Initial research shows that only those individuals who are incarcerated are readily available, through the OPSIS system of the Division of Corrections.

The records of the individuals in the other four categories are scattered between the Division of Corrections, the Department of Law, and all four superior courts, plus the appellate courts, not to mention Lower 48 courts and military courts who have convicted and sentenced Alaska residents for felony charges committed outside Alaska.

If the Department of Revenue remains responsible for building this currently non-existent central data-base, it will require the services of a good management analyst and necessary travel and contractual funds to visit each court and review the existing record systems, with an intent to arrange for input to a central collection point. The input could be in magnetic tape in some cases and on paper format in other cases. The important thing would be consistency in reporting. Once this data was accumulated and encoded, modifications will need to be made to the PFD system to do a cross-match on at least all adult applications, so those which appear to be felons can be individually identified and reviewed.

The Department of Revenue will, of course, have to be extremely careful that a "non-felon" is not accidentally denied on the grounds of felony conviction. The estimated resources necessary to accomplish this task are identified on Schedule A, attached.

Continuation of Bill/Program Effects

Section 2, combined with the added subsections in Section 3, require the Department of Revenue to estimate the number of convicted felons under sentence for felony as described in Section 1.

Under Section 5, the dividends otherwise payable to the estimated number of individuals, whether or not they file, would then be presumably reappropriated the next legislative session to the Crime Victim Compensation Fund. Since the value of an individual dividend is not known until some time in the fall of a given dividend year, the Legislature would not be able to appropriate the amount described in Section 5 until the session following the dividend year. Since the funds were originally appropriated for the purpose of paying dividends, a reappropriation for the purpose described in AS 18.67 would seem appropriate.

**Department of Revenue
Schedule A
Estimated Resources Needed
CSHB 575**

Administrative Services Division (See attached analysis)

Personal Services	-0-
Travel	-0-
Contractual	56.0
Supplies	-0-
Equipment	<u>-0-</u>
Administrative Services Division Total	\$56.0

Enforcement Division (See attached analysis)

Personal Services	33.6
Travel	-0-
Contractual	2.5
Supplies	.2
Equipment	<u>1.0</u>
TOTAL Enforcement Division	37.3
TOTAL Department of Revenue	<u>93.3</u>

**Department of Revenue
Administrative Services Division
Schedule A
Estimated Resources Needed
CSHB 575**

FY 85

Personal Services

-0-

Travel

-0-

Contractual

1. Professional Services contract with reputable Alaskan management consultant firm to survey existing record systems for felons in Administrative and Judicial Branches, statewide, to include travel and per diem

\$50,000

2. Additional running time on mainframe computer for program design and production run

\$5,000

3. Form letters, postage, LD, telegram

1,000

TOTAL Contractual

\$56,000

Equipment

-0-

Commodities

-0-

Administrative Services Division Total

\$56,000

Enforcement Division Analysis of CSMS 575 (Ju)

March 6, 1984

A. Assumptions

1. The PFD program is retained and there are no other substantive changes to the program.
2. It would be possible and practical to obtain information on individuals convicted of a felony and under sentence.

B. Program Summary

This bill would require one full time PFD Investigator who would be assigned felons on a project basis. The primary functions of this position would be to conduct confirming investigations on a portion of applicants identified as felons, resolve instances where an individual was inappropriately identified as a felon, respond to related inquiries, process denials of felons under sentence who do apply, and hold informal conferences related to appeals from felons under sentence. In addition, there would be associated contractual services, supply costs, and equipment costs.

		<u>FY '85</u>
<u>Personal Services (100)</u>		
PFD Investigator II (RL3)	12 months @ \$2,800/mo.	<u>\$33,600</u>
<u>Contractual Services (300)</u>		
Telephone		
Telephone purchase	1 phone @ \$60	60
Installation	1 phone @ \$90	90
Local Centrex	12 months @ \$46/mo.	552
Long Distance	12 months @ \$150/mo.	<u>1,800</u>
<u>Total Contractual Services (300)</u>		<u>2,502</u>
<u>Supplies (400)</u>		
General Office Supplies		<u>200</u>
<u>Equipment (500)</u>		
Desk		575
Chair		175
File		<u>275</u>
<u>Total Equipment (500)</u>		<u>1,025</u>
<u>Total Enforcement</u>		<u>\$37,327</u>

Amendments proposed:

1. Amend Section 1 to read:

*Section 1. AS 43.23.005 is amended by adding a new subsection to read:

(d) Notwithstanding the provisions of (a) - (c) of this section, an individual who has been convicted of a felony is not eligible for a permanent fund dividend for a year when, during all or part of the eligibility period for that year's dividend, as a result of the conviction the individual is [under sentence] incarcerated for the felony. An individual [under sentence] incarcerated in accordance with this subsection is considered to be ineligible whether or not the individual has applied for the dividend.

(e) For purposes of determining whether an applicant for a permanent fund dividend is ineligible under AS 43.23.005(d), the Department of Revenue will use a listing of such individuals to be certified by the Commissioner of Health and Social Services annually on or before the 60th day following the last day of that year's permanent fund dividend eligibility period.

The amended subsection (a) would largely eliminate the administrative difficulties of administering the proposed statute change, and would, as I understand the Attorney General's opinion, eliminate the likelihood of successful legal challenge.

This amendment adding subsection (e) is offered to place the responsibility for determining which individuals are under sentence for a felony, or, if amendment one as offered is accepted, which individuals are incarcerated for a felony in the department which knows the most about such things, the Department of Health and Social Services. The Department of Revenue has no expertise in criminal law nor do we have the communication channels already established with the Judiciary as does the Division of Corrections. If Revenue received a listing on magnetic tape each year of all individuals who met the test of Section 1, including particulars such as full legal name, date of birth, and social security number, we could stop such payments from being made with 97-99 percent accuracy. It would seem counterproductive and presumptuous for the Department of Revenue to attempt to produce a statewide data base of convicted felons.

**STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE**

Revision Date: _____

REQUEST

Bill/Resolution No.: CS HB 575 (Fin)
 Title: Relating to permanent fund
Dividends
 Sponsor: Barnes
 Requestor: House Finance Committee
 Date of Request: 3/5/84

FISCAL DETAIL

Agency Affected: Revenue
 Program Category Affected: general government
 BRU, Program or Subprogram(s) Affected: Permanent Fund Dividend

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis - Please refer to memorandum from Legislative Finance to Rep. Adams dated 3/5/84.

Prepared By: Al Adams, Chair APA Phone: 465-3706
 Division: House Finance Committee Date: 3/5/84

Approved by Commissioner: _____ Date: _____
 Agency: _____

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

12/1/83

**PRESS RELEASE
FEBRUARY 1, 1984**

**Contact: Jim Wood
465-3718**

REPRESENTATIVE RAMONA BARNES (R. ANCHORAGE), THE HOUSE MAJORITY LEADER, TODAY INTRODUCED A BILL THAT WOULD STOP PERSONS SERVING A SENTENCE FOR COMMISSION OF A FELONY FROM RECEIVING A PERMANENT FUND DIVIDEND. THE FUNDS THAT WOULD HAVE BEEN RECEIVED WOULD INSTEAD BE PUT INTO THE FUND TO COMPENSATE VICTIMS OF CRIMES.

"I BELIEVE IT IS HIGH TIME THAT OUR SOCIETY SHOWED MORE CONCERN FOR THE VICTIMS OF CRIME," REPRESENTATIVE BARNES SAID. "I SEE NO REASON WHY A PERSON CONVICTED OF A MAJOR CRIME SHOULD BE REWARDED WITH A BONUS."

"WE ALL HAVE A BASIC AND FUNDAMENTAL RIGHT TO BE SAFE IN OUR HOMES AND ON OUR STREETS AND I HOPE THIS LEGISLATION WILL HELP TO CONVEY THE MESSAGE THAT WE WILL NEITHER TOLERATE NOR REWARD LAWLESSNESS."

Memo re: HB 575

From: Jim Wood, House Majority Leader's Office

On January 1, 1984 there were 1334 felons in the Alaska Corrections system, including those outside the state.

At the rate of the 1983 Permanent Fund dividend (i.e., \$386), they would have received dividends totaling about \$515,000.

No data are available on the number of convicted felons on probation, parole, or suspended imposition of sentence.

Assuming there are half as many out of the institutions, but still under sentence, the total amount diverted from felons and into the crime victims' compensation fund would have been approximately \$773,000.

MEMORANDUM

State of Alaska

TO: Bruce Botelho
Deputy Commissioner
Department of Revenue

DATE: February 15, 1984

FILE NO: 366-424-84

TELEPHONE NO: 465-3600

FROM: Norman C. Gorsuch
Attorney General

SUBJECT: Review of HB 575,
relating to PFD pay-
ments to prisoners

By: Diane T. Colvin
Assistant Attorney General
Commercial-Juneau

You asked us to review House Bill 575, relating to payment of permanent fund dividends to convicted felons, for possible legal problems. Based on our review, we conclude that the bill, if enacted, could be challenged on a number of grounds. The provisions most vulnerable to legal challenge are summarized below.

HB 575 makes a convicted felon ineligible for a permanent fund dividend. The prohibition is applied not only to a felon who is in prison, but also to one who is on probation, on parole, or under a suspended imposition of sentence (Sec. 1).

There are other state laws that impose similar disabilities on convicted felons. Art. V, § 2, Alaska Constitution, implemented by AS 15.05.030, suspends the right to vote of a person convicted of a felony of moral turpitude. The disability continues until the individual's civil rights are restored by unconditional discharge. Unconditional discharge covers conviction and sentence, including, by definition (AS 15.60.010(32)), probation and parole, and, according to an opinion of this office, suspended imposition of sentence. 1980 Inf. Op. Att'y. Gen. (Nov. 7).

Statutes imposing disabilities relating to suffrage have traditionally been upheld as necessary to preserve the purity of elections. The presumption is that one rendered infamous by conviction of a felony is not fit to exercise the privilege of voting. State ex rel. Barrett v. Sartorius, 351 Mo. 1237, 175 S.W.2d 787 (1943). See, also Annot., 36 A.L.R.2d 1238 (1954),

Other statutory provisions affect prisoners' civil rights. AS 33.30.310 provides as follows:

Bruce Botelho, Deputy Commissioner
Department of Revenue
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Page 2

A judgment of imprisonment in the penitentiary for a term less than for life suspends the civil rights of the person sentenced, and forfeits all public offices and all private trusts, authority, or power during the term or duration of imprisonment.

AS 33.30.320 relates to the civil rights of a person sentenced for life.

AS 33.30.310 was found unconstitutional by the Alaska Supreme Court to the extent the statute denied a parolee the right to initiate a civil suit in court. Bush v. Reid, 516 P.2d 1215 (1973). The court held that the statute denied the parolee the right to due process and equal protection. In its equal protection analysis, the court recognized that the state may have a reasonable basis for denying convicts while imprisoned access to the civil courts. Id. 1221. But, the court found, the administration of a parole system differs substantially from the administration of a prison. The reasons that support imposition of disabilities on prisoners cannot logically support the same restrictions on parolees. Id. Thus, the court concluded that although the state has a legitimate interest in restricting some activities of parolees, prohibiting a parolee from initiating a civil action has no logical connection with that interest. Therefore, the court held parolees were denied the right to equal protection.

We believe the court would make a similar finding in regard to the right to a permanent fund dividend while on parole. There may be a legitimate state interest in precluding a person incarcerated from receiving a permanent fund dividend. 1/ It is difficult, however, to construct a logical basis for denying a dividend to a parolee. The purpose of parole, recognized by the court in Bush v. Reid, is the parolee's constructive development and restoration into normal society. Cutting a parolee off from receipt of a permanent fund dividend does not further that purpose, but rather restricts it. We believe the same argument would apply to persons given a suspended imposition of sentence and placed on probation. The broad objectives sought by

1/ HB 575 does not indicate what the legitimate state purpose is. It would be advisable for the legislature to make that determination, and to embody the purpose or purposes in a letter of intent to accompany the bill. — not necessary, at this point, according to D. Calvin

Bruce Botelho, Deputy Commissioner
Department of Revenue
Our file no.: 366-424-84

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probation are education and rehabilitation. These objectives are not furthered by restricting the right to receive a permanent fund dividend. Therefore, we believe that revising the bill to restrict receipt of a dividend only to convicted felons who are incarcerated would make the bill much less vulnerable to attack on equal protection grounds.

Another point on which the bill is vulnerable is the period of time for determination of ineligibility. Section 1 of the bill now makes a convicted felon ineligible for a dividend for a particular year if, during all or part of that year, the person is incarcerated, on probation, etc. AS 43.23.005 requires only six months of residency to qualify for a permanent fund dividend. We believe in order to be legally supportable the period of incarceration must coincide with at least some portion of the period of eligibility. 2/

taken
care
of in
JUDICIARY
C.S.

Finally, section 1 of the bill provides that the money that would have been paid to persons made ineligible by the bill be transferred from the dividend fund to the crime victim compensation fund. This may raise problems under Art. IX, § 13, of the Alaska Constitution, relating to expenditures of state funds. A better approach would be for the bill to provide that the legislature may appropriate the amount that would have been paid to the crime victim's compensation fund. In order to effect the transfer, the amount that would otherwise have been paid must be set out in an appropriation bill to the crime victim's compensation fund.

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care of
in
JUDICIARY
C.S.

We hope this information is helpful to you. If you have further questions, please contact us.

NCG:DTC:eja

cc: The Honorable Charlie Bussell
Alaska State House of Representatives

2/ 15 AAC 23.615(a) establishes for 1983 dividends an eligibility period from October 3, 1982 through March 31, 1983. This period will probably differ in 1984 and subsequent years because of changes in the statute.

STATE OF ALASKA
THE LEGISLATURE

POUCHY STATE CAPITAL
JUNEAU ALASKA 99801
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 18, 1984

SUBJECT: Work orders No. 13-1693
and 13-1774

TO: Representative Ramona Barnes

FROM: *LH* Linn H. Asper
Legislative Counsel

You have asked for two bills to restrict eligibility for permanent fund dividends. These bills raise two constitutional questions. The first concerns the constitutionality, under the equal protection clause, of making convicted felons and resident aliens ineligible for permanent fund dividends. Second, the proposal to divert money that would have been paid to convicted felons in order to compensate victims of crime raises a dedication of funds question under the state constitution.

By declaring any subgroup of otherwise eligible state residents ineligible for permanent fund dividends, equal protection questions are raised under the United States and state constitutions. Work Order No. 13-1693 makes convicted felons who are serving a prison sentence, on probation, on parole, or under a suspended imposition of sentence, ineligible for a permanent fund dividend even though they are state residents who meet the six month residency requirement of AS 43.23.005. Under current court interpretations of the 14th amendment to the United States Constitution, the state would have to establish a rational basis for the different treatment accorded convicted felons in order to overcome an equal protection challenge to the proposed legislation. Convicted felons have historically been singled out for civil penalties because of their criminal conduct. Under the state constitution convicted felons may not exercise the fundamental right to vote (Article V, Sec. 2). Convicted felons may not possess weapons capable of being concealed (AS 11.61.200), nor may they be licensed to engage in certain occupations, depending on the nature of their conviction. The rational basis for

Representative Ramona Barnes
Page 2
January 18, 1984

most of the state sanctions against convicted felons is said to be the protection of the public. In other cases, such as the loss of the right to vote, it appears that the rationale is further punishment of a convicted felon. In support of denying eligibility for permanent fund dividends the state could raise both the increased punishment rationale and the fact that the state incurs a large expense in dealing with a convicted felon, whether that person is incarcerated, on probation or parole, or under suspended imposition of sentence. In my opinion it would be permissible for the state to reduce the financial burden on itself and its citizens by retaining permanent fund dividends that would otherwise be paid to convicted felons, thus allowing that money to be used for other purposes, such as for compensation of victims of crime.

A more difficult question is presented in the request for a bill that would make resident aliens of the state ineligible for permanent fund dividends. Resident aliens are clearly entitled to the equal protection of the law, regardless of their legal status Plyler v. Doe, 72 L. Ed. 2d 786, (U.S. Supreme Court, 1982), and it should be noted at the outset that aliens who are lawfully present in the United States and who meet state residency requirements may not be excluded from programs such as the permanent fund dividend program. This result is dictated by Takahashi v. Fish & Game Commission, 92 L. Ed. 1478 (U.S. Supreme Court, 1948). I have therefore prepared the requested bill to limit the permanent fund dividend program exclusion to illegal aliens.

In my opinion, although this proposition is not entirely settled, illegal aliens may be excluded from eligibility for permanent fund dividends. In Plyler v. Doe, supra, a 5-4 decision of the United States Supreme Court held that a state may not refuse to extend its free public education benefits to children who have not been legally admitted to the country. A first reading of this case seems to indicate that a state may not deny state benefits such as permanent fund dividends to illegal aliens if the aliens meet applicable state residence requirements. In fact, the Plyler case seems to be limited almost to the precise facts of the case, that is, to a denial of free public education to person's whose illegal immigration status is involuntary. It seems clear that in almost any other factual situation the denial of state benefits to an illegal alien would have been upheld by the court, and even in Plyler a strongly worded dissent was filed by the four

Representative Ramona Barnes
Page 3
January 18, 1984

justices in the minority. Given the limited extent of the holding in Plyler, and the recognition by the court that a state does not normally have to extend state benefits to persons who are illegally present in the state, it is my opinion that a denial of permanent fund dividend benefits to illegal aliens would be upheld if enacted and subsequently challenged.

Part of your request in Work Order No.13-1693 was to include a provision that money that would have been distributed to now ineligible convicted felons as permanent fund dividends would be transferred into a fund to compensate victims of crime for injuries they may have suffered. I have drafted this provision so that the money would be transferred into the recently created crime compensation fund (AS 18.67.162). The new fund is part of the state program to compensate victims of violent crime. The transfer of money to a state fund by the operation of a statute other than an appropriation statute raises a dedication of funds question under the state constitution. (Article IX, Sec. 7). Under that section state revenue cannot be set aside for a particular purpose. It is clear that the transfer proposed in your bill is an attempt to dedicate funds State v. Alex, 646P.2d 203 (Alaska 1982). It may be, however, that your attempt will succeed because the money in question is income from the Alaska permanent fund. The permanent fund is a dedicated fund that is specifically permitted by the state constitution as an exception to the prohibition against dedicated funds. (Article IX, Sec. 15). The income from the permanent fund, according to section 15 "...shall be deposited in the general fund unless otherwise provided by law." It is my opinion that the quoted language, coupled with the fact that the permanent fund itself is a permitted exception to the dedication of funds provision, leads to the conclusion that permanent fund income can be dedicated by the legislature for whatever purpose the legislature determines. This has already been done with regard to 50 percent of the net income of the permanent fund that is available for distribution, now dedicated to permanent fund dividends (AS 43.23.045). On the other hand the attorney general has taken the position that permanent fund income may not be dedicated, or at least that the income may only be dedicated to "inflation-proof" the permanent fund or perhaps to permanent fund dividends. (Opinion of the Attorney General, January 3, 1983). The legislature has followed the practice of appropriating permanent fund income, thus avoiding the dedication question. Your requested bill would

Representative Ramona Barnes
Page 4
January 18, 1984

raise the issue again and could lead to a court resolution of the question unless the legislature makes annual appropriations of the money that is withheld from the convicted felons.

LHA:csh
C2/129

.....
POM 2/3/84...DAVE/ANC LIO....MSG 9910

TO: ALL LEGISLATORS.

FROM: ALLAN SKINNER, 818 1/2 BROWN ST, ANCHORAGE, AK 99501, H: 272-7691,
W: 279-4123.

MESSAGE: VOTE YES ON HB 84 (RELATING TO PUBLIC SMOKING) WITHOUT DELETIONS.
REGARDING HB 575, NO DIVIDEND CHECKS FOR CROOKS. /EOM
.....

The dividend program

ANCHORAGE'S Rep. Ramona Barnes has introduced a bill to deny permanent fund dividends to Alaskans who are convicted of felonies during the year for which the checks are issued.

This is one of those motherhood bills that would win support from all but the criminals themselves and perhaps some of the more ardent civil-liberties types.

However, it will further complicate the dividend scheme, which is already fraught with negatives and serves a doubtful purpose.

THE DIVIDENDS give Outsiders — especially national politicians — the impression that Alaska is loose with its money. They create the illusion that life offers something for nothing. They encourage dishonesty among the ineligible who try to get a share of the giveaway.

They have alienated members of the state's military community, to whom Alaska owes a great deal but most of whom don't qualify.

They lessen the amount of money the state could save for rainy days or could put into needed infrastructure like roads, dams and harbors.

The dividends have been a nightmare to administer, although the state Department of Revenue has worked out many of the bugs. The mechanics of establishing an eligibility list and writing the checks require constant monitoring.

AND THE DIVIDENDS continue to sap valuable legislative time. Lawmakers this session have been faced with the question of whether to reopen the 1983 filing period and with Rep. Barnes' proposition to deny dividends to prisoners.

Rather than ponder whether or not prisoners should get checks, legislators would do better to throw out the whole dividend program. In other words, pull the plug and let both the bathwater and the baby go down the drain.

Introduced: 2/6/84
Referred: Judiciary and
Finance

BY BARNES, HAYES, BUSSELL,
LISKA, FURNACE AND CLOCKSIN

1 IN THE HOUSE

2 HOUSE BILL NO. 575

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to permanent fund dividends; and
7 providing for an effective date."

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

9 * Section 1. AS 43.23.005 is amended by adding new subsections to
10 read:

11 (d) Notwithstanding the provisions of (a) - (c) of this section,
12 an individual who has been convicted of a felony is not eligible for a
13 permanent fund dividend for a year when, during all or part of that
14 year as a result of the conviction the individual is incarcerated, on
15 probation, on parole, or under a suspended imposition of sentence.

16 (e) An amount equal to the money that would otherwise be paid as
17 a permanent fund dividend to individuals ineligible under the provi-
18 sions of (d) of this section shall be transferred by the commissioner
19 from the dividend fund to the crime victim compensation fund (AS 18.-
20 67.162), to be used for the purposes stated in AS 18.67.

21 * Sec. 2. AS 43.23.025 is amended by adding a new subsection to read:

22 (b) for the purpose of calculating the amount of a permanent
23 fund dividend under (a) of this section an individual who is ineli-
24 gible to receive a dividend under the provisions of AS 43.23.005(d)
25 shall be considered to be an eligible individual.

26 * Sec. 3. AS 43.23.055 is amended to read:

27 Sec. 43.23.055. DUTIES OF THE DEPARTMENT. The department shall

28 (1) annually pay permanent fund dividends from the dividend
29 fund;

1 (2) adopt regulations under the Administrative Procedure
2 Act (AS 44.62) that establish procedures and time limits for claiming
3 a permanent fund dividend; the department shall set the time limit for
4 applications for permanent fund dividends so that the number of eli-
5 gible applicants is determined by December 1 of the year for which the
6 dividend is declared and permanent fund dividends for a year are paid
7 before April 30 of the year following that year;

8 (3) adopt regulations under the Administrative Procedure
9 Act (AS 44.62) that establish procedures and time limits for an indi-
10 vidual upon emancipation or upon reaching majority to apply for perma-
11 nent fund dividends not received during minority because the parent,
12 guardian, or other authorized representative did not apply on behalf
13 of the individual;

14 (4) assist residents of the state, particularly in rural
15 areas, who because of language, disability, or inaccessibility to
16 public transportation need assistance to establish eligibility and to
17 apply for permanent fund dividends;

18 (5) adopt other regulations that are necessary to implement
19 the provisions of this chapter.

20 * Sec. 4. This Act applies only to eligibility for permanent fund
21 dividends for years after 1983.

22 * Sec. 5. This Act takes effect immediately in accordance with AS 01.-
23 10.070(c).

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 05/22/84

REQUEST

Bill/Resolution No: SCS CSHB 575 (Jud)
 Title: An Act relating to satisfaction
of orders of restitution from
Permanent Fund Dividends
 Sponsor: Senate Judiciary Committee
 Requestor: Senate Finance Committee

FISCAL DETAIL

Agency Affected: Revenue
 Program Category Affected: General Government
 BRU, Program or Subprogram(s) Affected: Permanent Fund Dividend
 Date of Request: May 21, 1984

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES	-	33.6	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	1.0	-	-	-	-
400 SUPPLIES	-	.2	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	34.8	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	34.8	-	-	-	-
TOTAL	-	34.8	-	-	-	-

POSITIONS:

FULL-TIME	-	1	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Dividend fund established by AS 43.23.045.

ANALYSIS: Please see attached narrative for analysis.

Prepared By: Thomas C. Williams, Director

Division: Enforcement

Phone: 465-2366

Date: May 22, 1984

Approved by Commissioner: Boone Pittells

Agency: Department of Revenue

Date: May 22, 1984

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Department of Revenue
Analysis of SCS CSHB 575 (Judiciary)
May 22, 1984

A. Program Effects

Sections 1 and 2 effectively allow a certified copy of a court order of restitution to serve as a garnishment of an eligible person's Permanent Fund Dividend. It also allows the garnishment to stand until satisfied.

The Department of Revenue currently accepts and processes garnishments against Permanent Fund Dividends. If the court orders submitted provides sufficient information to match the court order with an application on file the impact could likely be absorbed by our current staff. If the court orders does not contain sufficient information to match the order to an already filed application, the Department would be required to request additional information from the court system in order to process the garnishment.

Section 3 allows an order of restitution to serve as an application for a Permanent Fund Dividend. This section would, at best, be difficult to administer.

First the legal question of whether income can be forced on an individual may be addressed by an individual not willing to have an application submitted on his or her behalf. Even if there is no legal challenge, the question of a defendant eligibility is still a major administrative burden.

Currently AS 43.23.005 requires an applicant to:

- a. be a state resident on the date of application; and
- b. have been a state resident for the six month eligibility period.

AS 43.23.015 also requires an applicant to certify their eligibility. Since the court order will neither contain sufficient information to establish residency or the applicant's certification to his residency, the Department of Revenue will be required to request additional information from the defendant and/or the court which ordered the restitution.

If the applicant declined and/or the court was unable to provide sufficient information to determine the residency of the defendant, we would be required to deny the application. In addition, because the order serves as an application for each subsequent year until the order is satisfied, the residency verification will be required annually.

Section 7 provides for this act to be effective for the 1984 Permanent Fund Dividend year. If court orders for restitution are to serve as applications the department would likely adopt emergency regulations which would allow only those court orders filed by June 30, 1984 to serve as applications for 1984. This would be consistent with the current filing deadline for 1984 applications under 15 AAC 23.625.

Court orders for restitution provided after June 30, 1984 would serve as garnishments on independently filed applications and/or serve as applications for 1985 Permanent Fund Dividends.

Department of Revenue
Analysis of SCS CSHB 575 (Judiciary)
May 22, 1984

B. Assumptions

1. The PFD program is retained and there are no other substantive changes to the program.
2. The courts will routinely file orders of restitution with the Department of Revenue without first determining the defendants eligibility for a Permanent Fund Dividend.

C. Program Summary

This bill would require one full time PFD Investigator who would be assigned restitution applications on a project basis. The primary functions of this position would be to conduct confirming investigations on defendant orders to pay restitution, resolve instances where an individual was inappropriately identified as owing restitution, respond to related inquiries, and hold informal conferences. In addition, there would be associated contractual services and supply costs.

Personal Services (100)

PFD Investigator II (R13) 12 months @ \$2,800/mo.	<u>\$33,600</u>
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Contractual Services (300)

Telephone, form letters, postage, etc.	<u>1,000</u>
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Supplies (400)

General Office Supplies	<u>200</u>
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<u>Total</u>	<u>\$34,800</u>
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Offered: 5/19/84
Referred: Finance

Original sponsors: Barnes, Hayes,
Bussell, et al

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 575 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to satisfaction of orders of resti-
7 tution from permanent fund dividends; and providing
8 for an effective date."

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

10 * Section 1. AS 12.55.045 is amended by adding a new subsection to
11 read:

12 (d) If a defendant is unable to immediately satisfy an order of
13 restitution, and the defendant is eligible for a permanent fund divi-
14 dend under AS 43.23, the court may submit a certified copy of the
15 order of restitution to the Department of Revenue for payment from the
16 defendant's permanent fund dividend. An order submitted to the
17 department under this subsection applies to each succeeding permanent
18 fund dividend of a defendant until the order of restitution has been
19 satisfied.

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

21 (d) Notwithstanding the provisions of (a) - (c) of this section,
22 an individual who has an unsatisfied order of restitution submitted to
23 the department under AS 12.55.045(d) may not receive a permanent fund
24 dividend until the order has been satisfied. An amount equal to the
25 money that would have been paid to the individual as a permanent fund
26 dividend shall be paid to the victim of the offense as set out in the
27 order of restitution submitted to the department under AS 12.55.-
28 045(d).

29 * Sec. 3. AS 43.23.015 is amended by adding a new subsection to read:

1 (i) Notwithstanding the provisions of AS 43.23.005(a) and (a) -
2 (f) of this section, an unsatisfied order of restitution submitted to
3 the department under AS 12.55.045(d) operates as an application for a
4 dividend for the individual who is the subject of the order.

5 * Sec. 4. AS 43.23.025 is amended by adding a new subsection to read:

6 (b) For the purpose of calculating the amount of a permanent
7 fund dividend under (a) of this section, an individual with an unsat-
8 isfied order of restitution submitted to the department under AS 12.-
9 55.045(d) who is otherwise eligible for a permanent fund dividend is
10 considered to be an eligible individual.

11 * Sec. 5. AS 43.23.055, as amended by ch. 43, SLA 1984, is amended to
12 read:

13 Sec. 43.23.055. DUTIES OF THE DEPARTMENT. The department shall

14 (1) annually pay permanent fund dividends from the dividend
15 fund;

16 (2) adopt regulations under the Administrative Procedure
17 Act (AS 44.62) that establish procedures and time limits for claiming
18 a permanent fund dividend; the department shall set the time limit for
19 applications for permanent fund dividends so that the number of eligi-
20 ble applicants is determined by October 1 of the year for which the
21 dividend is declared and permanent fund dividends for a year are paid
22 before April 30 of the year following that year;

23 (3) adopt regulations under the Administrative Procedure
24 Act (AS 44.62) that establish procedures and time limits for an indi-
25 vidual upon emancipation or upon reaching majority to apply for perma-
26 nent fund dividends not received during minority because the parent,
27 guardian, or other authorized representative did not apply on behalf
28 of the individual; [AND]

29 (4) assist residents of the state, particularly in rural

1 areas, who because of language, disability, or inaccessibility to
2 public transportation need assistance to establish eligibility and to
3 apply for permanent fund dividends; and

4 (5) adopt regulations under the Administrative Procedure
5 Act (AS 44.62) that establish procedures and time limits for payment
6 of permanent fund dividends to victims under unsatisfied orders of
7 restitution submitted to the department under AS 12.55.045(d); the
8 department may establish a procedure for proving satisfaction of an
9 order submitted under AS 12.55.045(d).

10 * Sec. 6. AS 43.23.065 is amended to read:

11 Sec. 43.23.065. EXEMPTION OF PERMANENT FUND DIVIDENDS. Fifty
12 percent of the annual permanent fund dividend payable to an individual
13 is exempt from levy, execution, garnishment, attachment, or any other
14 remedy for the collection of debt. This exemption applies to an
15 eligible individual's permanent fund dividend both before and after
16 payment is made to the individual. An [NO] exemption is not available
17 under this section for permanent fund dividends taken to satisfy child
18 support obligations required by court order, a [OR] decision of the
19 child support enforcement agency under AS 47.23.140 - 47.23.220, or an
20 order of restitution submitted to the department under AS 12.55.-
21 045(d). If a child support obligation and an order of restitution are
22 both outstanding against an individual, the child support obligation
23 shall be given preference.

24 * Sec. 7. This Act applies only to permanent fund dividends for years
25 after 1983.

26 * Sec. 8. This Act takes effect immediately in accordance with AS 01.-
27 10.070(c).

Received
SFC 5/23/84

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 05/22/84

REQUEST

Bill/Resolution No: SCS CSHB 575 (Jud)
Title: An Act relating to satisfaction
of orders of restitution from
Permanent Fund Dividends
Sponsor: Senate Judiciary Committee
Requestor: Senate Finance Committee

FISCAL DETAIL

Agency Affected: Revenue
Program Category Affected: General Government
BRU, Program or Subprogram(s) Affected: Permanent Fund Dividend
Date of Request: May 21, 1984

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES	-	33.6	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	1.0	-	-	-	-
400 SUPPLIES	-	.2	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	34.8	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	34.8	-	-	-	-
TOTAL	-	34.8	-	-	-	-

POSITIONS:

FULL-TIME	-	1	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Dividend fund established by AS 43.23.045.

ANALYSIS: Please see attached narrative for analysis.

Thomas C. Williams

Prepared By: Thomas C. Williams, Director

Division: Enforcement

Phone: 465-2366

Date: May 22, 1984

Approved by Commissioner: *Ronnie Pittman*

Agency: Department of Revenue

Date: May 22, 1984

Distribution (by Agency preparing fiscal note):

Legislative Finance

Legislative Sponsor

Requestor

Office of Management and Budget

Impacted Agency(ies)

Department of Revenue
Analysis of SCS CSHB 575 (Judiciary)
May 22, 1984

A. Program Effects

Sections 1 and 2 effectively allow a certified copy of a court order of restitution to serve as a garnishment of an eligible person's Permanent Fund Dividend. It also allows the garnishment to stand until satisfied.

The Department of Revenue currently accepts and processes garnishments against Permanent Fund Dividends. If the court orders submitted provides sufficient information to match the court order with an application on file the impact could likely be absorbed by our current staff. If the court orders does not contain sufficient information to match the order to an already filed application, the Department would be required to request additional information from the court system in order to process the garnishment.

Section 3 allows an order of restitution to serve as an application for a Permanent Fund Dividend. This section would, at best, be difficult to administer.

First the legal question of whether income can be forced on an individual may be addressed by an individual not willing to have an application submitted on his or her behalf. Even if there is no legal challenge, the question of a defendant eligibility is still a major administrative burden.

Currently AS 43.23.005 requires an applicant to:

- a. be a state resident on the date of application; and
- b. have been a state resident for the six month eligibility period.

AS 43.23.015 also requires an applicant to certify their eligibility. Since the court order will neither contain sufficient information to establish residency or the applicant's certification to his residency, the Department of Revenue will be required to request additional information from the defendant and/or the court which ordered the restitution.

If the applicant declined and/or the court was unable to provide sufficient information to determine the residency of the defendant, we would be required to deny the application. In addition, because the order serves as an application for each subsequent year until the order is satisfied, the residency verification will be required annually.

Section 7 provides for this act to be effective for the 1984 Permanent Fund Dividend year. If court orders for restitution are to serve as applications the department would likely adopt emergency regulations which would allow only those court orders filed by June 30, 1984 to serve as applications for 1984. This would be consistent with the current filing deadline for 1984 applications under 15 AAC 23.625.

Court orders for restitution provided after June 30, 1984 would serve as garnishments on independently filed applications and/or serve as applications for 1985 Permanent Fund Dividends.

Department of Revenue
Analysis of SCS CSHB 575 (Judiciary)
May 22, 1984

B. Assumptions

1. The PFD program is retained and there are no other substantive changes to the program.
2. The courts will routinely file orders of restitution with the Department of Revenue without first determining the defendants eligibility for a Permanent Fund Dividend.

C. Program Summary

This bill would require one full time PFD Investigator who would be assigned restitution applications on a project basis. The primary functions of this position would be to conduct confirming investigations on defendant orders to pay restitution, resolve instances where an individual was inappropriately identified as owing restitution, respond to related inquiries, and hold informal conferences. In addition, there would be associated contractual services and supply costs.

Personal Services (100)

PFD Investigator II (R13) 12 months @ \$2,800/mo.	<u>\$33,600</u>
---	-----------------

Contractual Services (300)

Telephone, form letters, postage, etc.	<u>1,000</u>
--	--------------

Supplies (400)

General Office Supplies	<u>200</u>
-------------------------	------------

<u>Total</u>	<u>\$34,800</u>
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Offered: 3/8/84
For Today's Calendar

Original sponsors: Barnes, Hayes,
Bussell, et al

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 575 (Finance) (title am)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to permanent fund dividends for
7 individuals incarcerated after conviction for a
8 felony; and providing for an effective date."

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

10 * Section 1. AS 43.23.005 is amended by adding a new subsection to
11 read:

12 (d) Notwithstanding the provisions of (a) - (c) of this section,
13 an individual who has been convicted of a felony is not eligible for a
14 permanent fund dividend for a year when, during all or part of the
15 eligibility period for that year's dividend, as a result of the con-
16 viction the individual is incarcerated for the felony. An individual
17 incarcerated in accordance with this subsection is considered to be
18 ineligible whether or not the individual has applied for the dividend.

19 * Sec. 2. AS 43.23.025 is amended by adding a new subsection to read:

20 (b) for the purpose of calculating the amount of a permanent
21 fund dividend under (a) of this section an individual who is ineli-
22 gible to receive a dividend under the provisions of AS 43.23.005(d)
23 shall be considered to be an eligible individual.

24 * Sec. 3. AS 43.23.055 is amended to read:

25 Sec. 43.23.055. DUTIES OF THE DEPARTMENT. The department shall

26 (1) annually pay permanent fund dividends from the dividend
27 fund;

28 (2) adopt regulations under the Administrative Procedure
29 Act (AS 44.62) that establish procedures and time limits for claiming

1 a permanent fund dividend; the department shall set the time limit for
2 applications for permanent fund dividends so that the number of eli-
3 gible applicants is determined by December 1 of the year for which the
4 dividend is declared and permanent fund dividends for a year are paid
5 before April 30 of the year following that year;

6 (3) adopt regulations under the Administrative Procedure
7 Act (AS 44.62) that establish procedures and time limits for an indi-
8 vidual upon emancipation or upon reaching majority to apply for perma-
9 nent fund dividends not received during minority because the parent,
10 guardian, or other authorized representative did not apply on behalf
11 of the individual;

12 (4) assist residents of the state, particularly in rural
13 areas, who because of language, disability, or inaccessibility to
14 public transportation need assistance to establish eligibility and to
15 apply for permanent fund dividends;

16 (5) annually determine, in cooperation with the Department
17 of Health and Social Services, the number and identity of individuals
18 ineligible for a permanent fund dividend under AS 43.23.005(d);

19 (6) adopt other regulations that are necessary to implement
20 the provisions of this chapter.

21 * Sec. 4. This Act applies only to eligibility for permanent fund
22 dividends for years after 1983.

23 * Sec. 5. It is the intent of the legislature that an amount approxi-
24 mately equal to the money that would otherwise be paid as permanent fund
25 dividends to individuals ineligible under AS 43.23.005(d), enacted by sec.
26 1 of this Act be appropriated annually from the dividend fund to the crime
27 victim compensation fund (AS 18.67.162), to be used for the purposes stated
28 in AS 18.67.

29 * Sec. 6. This Act takes effect immediately in accordance with

1 AS 01.10.070(c).

- Section 1) When a defendant is unable to immediately satisfy an order of restitution, the defendant's permanent fund dividend and subsequent P.F. dividend checks are applied to the order of restitution until the order has been satisfied.
- Section 2) Person who has an unsatisfied order of restitution may not receive a dividend until the order has been satisfied. The amount of the dividend shall be paid to the victim as set out in the restitution order.
- Section 3) An unsatisfied order of restitution submitted to the Department becomes equivalent to a permanent fund dividend application for the subject of the order.
- Section 4) Individual with an unsatisfied order of restitution who is otherwise eligible for a dividend is considered to be an eligible individual for the purposes of calculating the amount of PF dividends.
- Section 5) Expands the duties of the department to include the ability to adopt procedures and time limits for payment of P.F. dividends to victims under unsatisfied orders of restitution. Also, the Department may adopt regs for proving satisfaction of an order submitted under 12.55.045(d).
- Section 6) The exemption provisions for P.F. dividends do not apply to either child support obligations or orders of restitution. In the event that both obligations are outstanding against an individual, the child support obligation shall be given preference.
- Section 7) Applies only to PF dividends for years after 1983.
- Section 8) Immediate effective date.

STATE OF ALASKA

DEPARTMENT OF LAW

CRIMINAL DIVISION PRETRIAL DIVERSION PROGRAM

April 23, 1984

BILL SHEFFIELD, GOVERNOR

REPLY TO:

- POUCH KT
JUNEAU, ALASKA 99811
PHONE: (907) 465-3678
- 941 W 4th ST.
ANCHORAGE, ALASKA 99501
PHONE: (907) 278-3508
- 733 7th AVE.
FAIRBANKS, ALASKA 99701
PHONE: (907) 452-7713

The Honorable Bill Ray, Chairman
Senate Judiciary Committee
Alaska State Senate
Pouch V
Juneau, AK 99811

Re: Constitutionality of denial of
permanent fund dividends to
individuals incarcerated after
conviction of a felony

Dear Senator Ray:

You have requested our opinion on the constitutionality of CSHB 575 (Finance) (title am), which denies permanent fund dividends to individuals incarcerated after conviction for a felony. Specifically you question whether denial to the broad class defined as convicted, incarcerated felons violates rights to equal protection of law guaranteed under the 14th Amendment to the United States Constitution and under Article I, Section 1 of the Constitution of the State of Alaska. After reviewing the applicable law, it is our opinion that denial of permanent fund dividends to this class of individuals is not a violation of equal protection.

When reviewing equal protection questions it is necessary first to determine the nature of the right being denied, as this is determinative of the test to be applied. If the legislation in question affects a fundamental right, or if the class of persons being affected is characterized by a particular race, creed or national origin, the subject matter requires the application of strict scrutiny, i.e., a burden of showing that the legislation furthers a compelling state interest. In the absence of a fundamental right, or a suspect classification, the standard of review applied is essentially one of rational basis, i.e., a showing of a legitimate state interest which is rationally served. Under the rational basis test, in order for a classification to survive judicial scrutiny, the classification "must be reasonable, not arbitrary, and must rest upon some ground of difference having a fair and substantial relation to the object of the legislation, so that all persons similarly

circumstanced shall be treated alike." State v. Wylie, 516 P.2d 142, 145 (Alaska 1973). However, the more important that the right is, the more closely the court will review whether the means chosen to effect the state's interest are rationally related to the purpose of the law. Isakson v. Rickey, 550 P.2d 359 (Alaska 1976); State v. Erickson, 574 P.2d 1 (Alaska 1978).

Initially, it is clear that the class of convicted felons is not a racial or religious class of persons. Moreover, the intimation of the U.S. Supreme Court in Zobel v. Williams, 457 U.S. 55 (1982), as well as the findings of the Alaska Supreme Court in Williams v. Zobel, 619 P.2d 448 (Alaska 1980), is that permanent fund dividends are not "fundamental rights," but rather lesser benefits conferred by the state. As such, the test to be applied would not be one of a compelling state interest.

In applying the rational basis test, the classification will be analyzed in terms of the legislative purposes of the enactment and the means chosen to further those purposes. Hilbers v. Municipality of Anchorage, 611 P.2d 31 (Alaska 1980); Commercial Fisheries Entry Commission v. Apokedak, 606 P.2d 1255 (Alaska 1980). The purposes sought to be furthered under CSHB 575 (Finance) (title am) are assumed from Section 5 of the bill, the intent section. Money which would normally be appropriated under the permanent fund dividend program to the class of convicted incarcerated felons is directed to be reappropriated to the Crime Victim's Compensation Fund, AS 18.67.162. This Fund was established to compensate the victims of certain violent felonies for actual and reasonable expenses incurred by reason of the victim's status. In sum, convicted, incarcerated felons who would normally receive a monetary benefit are being required to assume some of the costs attendant to the criminal justice system.

The question then, is whether the means chosen to carry out this purpose are rational. This question is directly related to your further inquiry whether it is a rational purpose to require all convicted, incarcerated felons to assume some of the costs of a criminal justice program which benefits a narrow class of victims, i.e., victims of violent felonies, especially when a member of the felon class may be incarcerated for a non-violent, victimless crime. While such an argument could legitimately be made and may be upheld by a court, there is a stronger argument in requiring a certain class of offenders (those

The Honorable Bill Ray, Chairman
Senate Judiciary Committee

April 23, 1984
Page 3

who incur the highest cost to the criminal justice system) to assume a portion of the overall system cost especially in days of declining revenues and increasing costs to the criminal justice system. Naturally, this argument is substantially strengthened if the intent section of the bill is broadened to include all state victim service programs as recipients of these monies, or more appropriately as suggested by Senator Josephson, to the Department of Corrections to pay for prison operations.

Nonetheless, considering that courts have upheld the denial of more fundamental rights to similar classes of individuals¹ in spite of the admonishments in Meachum v. Fano, 427 U.S. 215, 225 (1976)

...that the convicted felon does not forfeit all constitutional protection by reason of his conviction and confinement in prison,

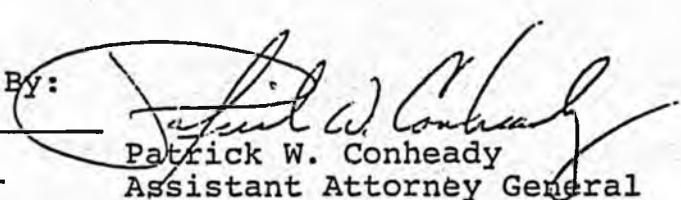
we believe that this legislation is reasonable, not clearly arbitrary, and rationally furthers a legitimate state purpose.

Respectfully submitted,

NORMAN C. GORSUCH
ATTORNEY GENERAL

DANIEL W. HICKEY
CHIEF PROSECUTOR

By:


Patrick W. Conheady
Assistant Attorney General

1/ Although the Alaska Supreme Court declared AS 33.30.310 unconstitutional to the extent it denied a parolee the right to initiate a civil suit, Bush v. Reid, 516 P.2d 1215 (1973), statutes such as AS 15.05.030 (denying certain felons the right to vote) have been upheld. Richardson v. Ramirez, 418 U.S. 24 (1974). Likewise, courts have recently upheld restrictions on a paroled felon's right to return to his home state, Bagley v. Harvey, 718 F.2d 9215 (9th Cir. 1983), as well as banishment as a condition and for the term of probation. Cobb v. State, 437 So.2d 1218 (Miss 1983).

COMMITTEE REPORT
SENATE

FURTHER: FINANCE

3/9/84

Date May 18, 1984

Mr. President

The Committee on JUDICIARY considered CSHB 575(Fin)(title am)

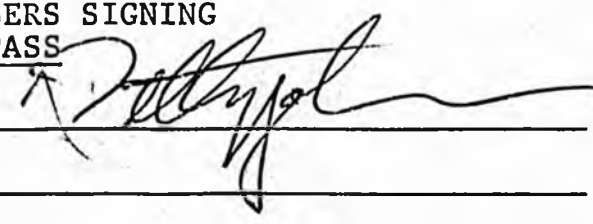
permanent fund dividends for individuals incarcerated after conviction for a felony; efd.

and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass
- do pass with attached amendment(s)
- replace with/~~or~~ adopt 5 CS for CS HB 575 (Jud)
- new title
- same title and recommends _____
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

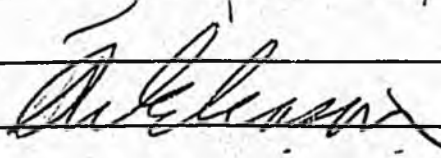
MEMBERS SIGNING

DO PASS



MEMBERS HAVING

OTHER RECOMMENDATIONS

Engler N/R


Bill Ray
Chairman

Do Pass
Chairman recommendation

come w/ bill

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date 03/07/84

Page 1 of 3

REQUEST
Bill/Resolution No: CSHB 575 (Fin)
Title: An Act relating to permanent fund dividends
Sponsor: House Finance Committee
Requestor: House Finance Committee
Date of Request: March 6, 1984

FISCAL DETAIL
Agency Affected: Revenue
Program Category Affected: General Government
BRU, Program or Subprogram(s) Affected: Permanent Fund Dividend

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
<u>OPERATING</u>						
100 PERSONAL SERVICES	-	33.6	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	1.0	-	-	-	-
400 SUPPLIES	-	.2	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
<u>TOTAL OPERATING</u>	-	34.8	-	-	-	-
<u>CAPITAL</u>	-	-	-	-	-	-
<u>REVENUE</u>	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	34.8	-	-	-	-
<u>TOTAL</u>	-	34.8	-	-	-	-

POSITIONS:

FULL-TIME	-	1	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Dividend fund established by AS 43.23.045.

ANALYSIS: Please see attached narrative for analysis.

Prepared By: Thomas C. Williams, Director
Division: Enforcement

Phone: 465-2366
Date: March 7, 1984

Approved by Commissioner: [Signature]
Agency: DAK

Date: 3/7/84

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

nc (Fin) - app.

A. Program Effects

Section 1 further defines the eligibility requirements of AS 43.23.005 by adding a new subsection which declares convicted felons who are incarcerated ineligible to receive a permanent fund dividend if they were incarcerated for said felony during any part of the eligibility period for a particular year's dividend. For example, the six-month eligibility period for the 1984 dividend is October 1, 1983 through March 31, 1984. Under this bill, an individual who was incarcerated for a felony conviction during this period or was incarcerated during any part of this period, would be ineligible for a 1984 permanent fund dividend.

Section 1 also provides that the Department of Health & Social Services will provide a magnetic tape to the Department of Revenue, once a year within 60 days of the close of the PFD eligibility period, listing all convicted felons who were incarcerated during any part of the eligibility period. Modifications will need to be made to the PFD system to do a cross-match on at least all adult applications, so those which appear to be felons can be individually identified and reviewed. The Department of Revenue will, of course, have to be extremely careful that a "non-felon" is not accidentally denied on the grounds of felony conviction. The estimated resources necessary to accomplish this task are identified below under C. Program Summary.

Section 2, combined with the added subsections in Section 3, require the Department of Revenue to estimate the number of convicted felons under sentence for felony as described in Section 1.

Under Section 5, the dividends otherwise payable to the estimated number of individuals, whether or not they file, would then be presumably reappropriated the next legislative session to the Crime Victim Compensation Fund. Since the value of an individual dividend is not known until some time in the fall of a given dividend year, the Legislature would not be able to appropriate the amount described in Section 5 until the session following the dividend year. Since the funds were originally appropriated for the purpose of paying dividends, a reappropriation for the purpose described in AS 18.67 would seem appropriate.

B. Assumptions

1. The PFD program is retained and there are no other substantive changes to the program.
2. The Department of Health and Social Services can provide the Department of Revenue with a magnetic tape accurately identifying all convicted felons who were incarcerated during any part of the eligibility period.

C. Program Summary

This bill would require one full time PFD Investigator who would be assigned felons on a project basis. The primary functions of this position would be to conduct confirming investigations on a portion of applicants identified as felons, resolve instances where an individual was inappropriately identified as a felon, respond to related inquiries, process denials of felons under sentence who do apply, and hold informal conferences related to appeals from felons under sentence. In addition, there would be associated contractual services and supply costs.

Personal Services (100)

PFD Investigator II (R13) 12 months @ \$2,800/mo. \$33,600

Contractual Services (300)

Telephone, form letters, postage, etc. 1,000

Supplies (400)

General Office Supplies 200

Total \$34,800

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date 03/07/84

Page 1 of 3

REQUEST
 Bill/Resolution No: CSHB 575 (Fin)
 Title: An Act relating to permanent fund dividends
 Sponsor: House Finance Committee
 Requestor: House Finance Committee
 Date of Request: March 6, 1984

FISCAL DETAIL
 Agency Affected: Revenue
 Program Category Affected: General Government
 BRU, Program or Subprogram(s) Affected: Permanent Fund Dividend

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES	-	33.6	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	1.0	-	-	-	-
400 SUPPLIES	-	.2	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	34.8	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	34.8	-	-	-	-
TOTAL	-	34.8	-	-	-	-

POSITIONS:

FULL-TIME	-	1	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Dividend fund established by AS 43.23.045.

ANALYSIS: Please see attached narrative for analysis.

Prepared By: Thomas C. Williams, Director

Division: Enforcement

Phone: 465-2366

Date: March 7, 1984

Approved by Commissioner: [Signature]

Agency: DOR

Date: 3/7/84

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

nc (Fin) - add.

A. Program Effects

Section 1 further defines the eligibility requirements of AS 43.23.005 by adding a new subsection which declares convicted felons who are incarcerated ineligible to receive a permanent fund dividend if they were incarcerated for said felony during any part of the eligibility period for a particular year's dividend. For example, the six-month eligibility period for the 1984 dividend is October 1, 1983 through March 31, 1984. Under this bill, an individual who was incarcerated for a felony conviction during this period or was incarcerated during any part of this period, would be ineligible for a 1984 permanent fund dividend.

Section 1 also provides that the Department of Health & Social Services will provide a magnetic tape to the Department of Revenue, once a year within 60 days of the close of the PFD eligibility period, listing all convicted felons who were incarcerated during any part of the eligibility period. Modifications will need to be made to the PFD system to do a cross-match on at least all adult applications, so those which appear to be felons can be individually identified and reviewed. The Department of Revenue will, of course, have to be extremely careful that a "non-felon" is not accidentally denied on the grounds of felony conviction. The estimated resources necessary to accomplish this task are identified below under C. Program Summary.

Section 2, combined with the added subsections in Section 3, require the Department of Revenue to estimate the number of convicted felons under sentence for felony as described in Section 1.

Under Section 5, the dividends otherwise payable to the estimated number of individuals, whether or not they file, would then be presumably reappropriated the next legislative session to the Crime Victim Compensation Fund. Since the value of an individual dividend is not known until some time in the fall of a given dividend year, the Legislature would not be able to appropriate the amount described in Section 5 until the session following the dividend year. Since the funds were originally appropriated for the purpose of paying dividends, a reappropriation for the purpose described in AS 18.67 would seem appropriate.

B. Assumptions

1. The PFD program is retained and there are no other substantive changes to the program.
2. The Department of Health and Social Services can provide the Department of Revenue with a magnetic tape accurately identifying all convicted felons who were incarcerated during any part of the eligibility period.

C. Program Summary

This bill would require one full time PFD Investigator who would be assigned felons on a project basis. The primary functions of this position would be to conduct confirming investigations on a portion of applicants identified as felons, resolve instances where an individual was inappropriately identified as a felon, respond to related inquiries, process denials of felons under sentence who do apply, and hold informal conferences related to appeals from felons under sentence. In addition, there would be associated contractual services and supply costs.

Personal Services (100)

PFD Investigator II (RL3) 12 months @ \$2,800/mo. \$33,600

Contractual Services (300)

Telephone, form letters, postage, etc. 1,000

Supplies (400)

General Office Supplies 200

Total \$34,800

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Came w/ bill

REQUEST
 Page 1 of 3
 Bill/Resolution No: CSHB 575 (Jud)
 Title: An act relating to permanent fund dividends.
 Sponsor: Barnes
 Requestor: Judiciary
 Date of Request: 02/06/84

Revision Date
FISCAL DETAIL
 Agency Affected: Revenue
 Program Category Affected: General Government
 BRU, Program of Subprogram(s) Affected: Permanent Fund Dividend

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
<u>OPERATING</u>						
100 PERSONAL SERVICES	-	33,600	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	4,502	-	-	-	-
400 SUPPLIES	-	200	-	-	-	-
500 EQUIPMENT	-	3,225	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
<u>TOTAL OPERATING</u>	-	41,527	-	-	-	-
<u>CAPITAL</u>	-	-0-	-	-	-	-
<u>REVENUE</u>	-	-0-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<u>TOTAL</u>	-	-0-	-	-	-	-

POSITIONS:

FULL-TIME	-	-1-	-	-	-	-
PART-TIME	-	-0-	-	-	-	-
TEMPORARY	-	-0-	-	-	-	-

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: See attached analysis.

Prepared By: Ervin B. Jones
 Division: Administrative Services

Phone: 465-2313
 Date: 02/10/84

Approved by Commissioner: Thomas M. Rillo
 Agency: Revenue

Date: 2/15/84

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

105 (Jud)

Analysis:

CSHB575(Jud)

Page 2 of 3

Section 1 of the bill provides for two changes to the current law. First, it provides that convicted felons are ineligible for a permanent fund dividend for any year, when during all or part of that year as a result of their felony conviction, the individual was:

- a. incarcerated
- b. on probation
- c. on parole
- d. under a suspended imposition of sentence.

Secondly, it provides that an amount equal to the foregone dividend would be transferred to the crime victim compensation fund.

There are several major factors which make the provisions of this section, as written, difficult to administer:

1. The permanent fund dividend program is designed by statute to make payments for the same given year for which applications are filed. For example, the 1983 dividend was declared on September 1, 1983, and largely paid by December 31, 1983, based on applications received during the filing period April 1 - June 30, 1983. Assuming the Department of Revenue was able to sort out applications filed by convicted felons who met the requirements of Section 1, we would have to hold all payments until the end of the dividend year, in order to review all applications for "felon status" through the whole year including December. This would not necessarily change the filing period or the declaration date, but would mandate payments being made no sooner than January or February of the year following the dividend year. After the department makes one last massive cross examination of all applications filed, probably in January following the dividend year. The department would still attempt to make all payments by April 30 of the year following the dividend year.
2. The second problem is determining which PFD applicants are convicted felons who meet the statutory test (i.e. incarcerated, on probation, etc.). For the department to identify those persons would require a one-time matching of the PFD master file for a given year against a currently non-existent data base of all Alaskans who met the prescribed condition during the preceding dividend year. This cross match is the one described above as taking place in January following the dividend year. Creating the needed data base would involve two steps:
 - a) Using the OPSIS data base recently established by the Corrections Department, Health & Social Services would need to build a file of all convicted felons who as a result of their felony conviction were, at any time during the dividend year:
 - 1) incarcerated (in or out of Alaska)
 - 2) on probation (in or out of Alaska)
 - 3) on parole (in or out of Alaska).

It should be noted that Corrections has no control over, or records of, convicted felons under suspended imposition of sentence, nor does Corrections have any record of, or knowledge of, Alaska residents who

are convicted of felonies outside Alaska and are still outside Alaska imprisoned, on parole, on probation, or under suspended sentence. Roger Lang, Deputy Commissioner of Administration for Corrections expressed the opinion that the incidences of the latter would be negligible.

- b) Literally building a tracking system of those felons under suspended sentence. Apparently, individual courts keep these records separately, in a non-computerized fashion. If it is the Legislature's final decision that such a system be created, I think a great deal of study and research, probably by a consultant, would be needed before even an estimate of cost could be arrived at. Deputy Commissioner Lang suggests that the number of convicted felons under suspended sentence in Alaska might be so low as to render the search cost-ineffective.
3. Transferring an amount equivalent to the dividend that is denied the felon applicant to the crime victim compensation fund indirectly funds the crime victim compensation fund (previously strictly a general fund appropriation) from the earnings of the Permanent Fund. Since the number of felons filing will very shortly drop off sharply (when they realize they won't be paid), a more direct appropriation to the crime victims compensation fund would appear to be more beneficial.

In summary, to the extent that a data base is available which identifies the subject felons, and to the extent that they file applications, the Department of Revenue will be able to deny their applications. The cost of doing so, with the exception of suspended sentences, will be very low. The Enforcement Division will need one full-time investigator as reflected on the attached analysis. The postponement of all payments by several months will obviously irritate the general public. For this reason, the department recommends that lines 13, 14 and 15 of the bill be changed to read " . . . permanent fund dividend for a year when, during all or part of the eligibility period for that year's dividend, [that year] as a result of the conviction the individual is incarcerated, on probation, on parole or under a suspended imposition of sentence." This would enable the department to process applications against a fixed file of subject felons and to make payments as soon as the dividend amount is declared.

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Page 1 of 3
REQUEST
Bill/Resolution No: CSHB 575(Jud)
Title: An act relating to permanent
fund dividends.
Sponsor: Barnes
Requestor: Judiciary
Date of Request: 02/06/84

Revision Date

FISCAL DETAIL
Agency Affected: Revenue
Program Category Affected:
General Government
BRU, Program of Subprogram(s) Affected:
Permanent Fund Dividend

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
<u>OPERATING</u>						
100 PERSONAL SERVICES	-	33,600	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	4,502	-	-	-	-
400 SUPPLIES	-	200	-	-	-	-
500 EQUIPMENT	-	3,225	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
<u>TOTAL OPERATING</u>	-	41,527	-	-	-	-
<u>CAPITAL</u>	-	-0-	-	-	-	-
<u>REVENUE</u>	-	-0-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
<u>TOTAL</u>	-	-0-	-	-	-	-

POSITIONS:

FULL-TIME	-	-1-	-	-	-	-
PART-TIME	-	-0-	-	-	-	-
TEMPORARY	-	-0-	-	-	-	-

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: See attached analysis.

Prepared By: Ervin B. Jones
 Division: Administrative Services

Phone: 465-2313
 Date: 02/10/84

Approved by Commissioner: Thomas Mitchell
 Agency: Revenue

Date: 2/15/84

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05 (Jud)