

ALASKA LEGISLATURE

1510

HOUSE and SENATE FINANCE COMMITTEE FILES, 1995-1996

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**Request for Matching Funds to Endow the  
Atwood Chair of Journalism  
at the University of Alaska Anchorage**

The University of Alaska Anchorage is requesting a one-time \$1 million appropriation in the FY95 UA Capital Budget to match already committed private money that will endow the Atwood Chair of Journalism.

- This capital request matches a commitment of an additional \$1/2 million made by Robert B. Atwood towards making the Atwood Chair of Journalism permanent. Since 1980 he has funded the Chair at UAA with annual grants totaling more than \$1.2 million. The latest \$1/2 million will bring his total contribution to \$1.7 million.
- This funding by private and public money will establish the existing Chair in Journalism in the Department of Journalism and Public Communications (JPC) as a permanent self-supporting faculty position.
- The Journalism Chair is a revolving chair that attracts a new nationally known journalist every one or two years. This expert provides a fresh perspective for students and regular faculty and renews department energy.
- The Journalism Chair is a teaching professorship which carries a regular, heavy teaching load. In addition, the professor works with the professional communications community and is available as a resource for community needs.
- There are 250 students currently enrolled in the JPC program which graduates between 30 and 40 students each year. The Alaska job market for these students includes newspapers, magazines, radio and television stations, video and audio production firms, public relations departments and advertising agencies. A conservative estimate is that 500 jobs turn over annually in the job market. A substantial number of these positions are entry level.
- The Journalism and Public Communications Department is one of only 90 out of 360 to qualify as a nationally accredited program in mass communications. In two years it will come under intense scrutiny as it undergoes the reaccreditation process. Permanent establishment of the Chair will lend the department great credibility and prestige at a critical time.
- Distinguished professorships and chairs are used at major universities as a fiscally viable way to create pockets of excellence. They attract distinguished faculty with national reputations to work with students and regular faculty. As the first endowed chair financed by private and public money, it will be an excellent model to challenge the private sector in Alaska to support future professorships.
- The JPC Professional Advisory Council strongly endorses the proposed matching fund endowment for the Atwood Chair of Journalism. This Council, composed of Alaska professionals in the communications field, has monitored and assisted the Journalism and Public Communications program since 1984 when the Chancellor established it as advisory to him. The members are actively working with Chancellor Donald Behrend and the JPC faculty to make the Chair permanent.
- State legislatures are increasingly establishing chairs for distinguished professors by challenging private donors to match state funds. The Chair is a proven entity that has been funded annually by Mr. Atwood. It has a successful thirteen-year track record. *It is now time to endow the Chair and make it permanent.*

# Professional Advisory Council

*Serving*

The University of Alaska Anchorage  
Department of Journalism and Public Communications

March 11, 1995

Dear Anchorage Caucus Member,

Public/Private partnerships and "budget discipline" are on everyone's lips these days. We'd like to tell you about a 15-year success story that represents the best of both.

The Robert B. Atwood Chair of Journalism at the University of Alaska Anchorage represents the very kind of successful public/private partnership that can help Alaska maximize its education dollars in the future.

Robert B. Atwood has funded this nationally recognized chair for the past 15 years with personal contributions totaling \$1.3 million. Through this generosity, prestigious journalists from around the country have taught such courses as advanced reporting and ethics at UAA, sharing their practical, real-life experiences—real training for real jobs that await graduates now. UAA students have won numerous national honors and directly benefited from industrial contacts under the Atwood Chair's mentorships.

Mr. Atwood has now pledged an additional \$500,000 to match a \$1 million state capital appropriation that would endow the chair permanently. Such an advantageous agreement—nearly \$2 million in private money for \$1 million in state funds—could be a statewide model for other educational partnerships.

We know this is a tough year—which is exactly why we hope you support the long-term economic wisdom of a one-time appropriation to fund a permanent position. (See UA Capital Budget, pp. 11, 12.)

In 10 years, the chair will pay for itself—at no further cost to the university nor the state. It will, in fact, save the state money by providing a faculty position that will be needed whether the chair is funded or not. This is "budget discipline" at its best.

But this golden opportunity is also fleeting. Mr. Atwood has quietly supported this program for 15 years, but he believes—and we agree—it is time for the state to match his commitment. We ask your support for this prudent and timely appropriation. Please feel free to call me at 274-3154 if you have any further questions.

Sincerely,

  
Suzan Nightingale, Chair

Al Branstadt, Jr.  
General Manager  
KTUU-TV

Marnie Brennan  
Director of Communications  
ATU

Fuller Cowell  
Publisher  
Anchorage Daily News

Rob Ducar  
President & CEO  
GCI

A G Huber  
Chairman/CEO  
Northern Television, Inc

Gary Lamb  
Cinematographer/Director  
Cineconcepts

Suzan Nightingale  
Columnist  
Anchorage Daily News

Mike Porcari  
Partner  
Porcari Blackman  
Advertising

Edna Thompson  
Communications Assistant  
Anchorage Convention and  
Visitors Bureau

## DISTINGUISHED JOURNALISTS WHO HAVE HELD THE ATWOOD CHAIR OF JOURNALISM

Eight distinguished journalists have held the Atwood Chair of Journalism at the University of Alaska Anchorage:

**1980-1981** Cleve Mathews, former foreign correspondent and Washington news desk editor for the *New York Times*. Mathews retired in 1991 as a professor at the S.I. Newhouse School of Public Communication, Syracuse University.

**1981-1982** Mort Stern, former managing editor and editorial page editor of the *Denver Post* and a Nieman Fellow. He served as dean of the School of Journalism and Mass Communication at the Universities of Colorado and Alabama. He retired in 1991 as director of the Department of Journalism at the University of Northern Colorado.

**1981-1984** B. Dale Davis, former executive editor and vice president for communications of the *Philadelphia Bulletin*. He retired in 1990 as publisher of the *Santa Barbara News-Press*, owned by the New York Times Company.

**1984-1986** Wallace W. Allen, former associate executive editor of the *Minneapolis Tribune* where he worked for 31 years, moving from copy editor to associate editor. Allen directed the redesign of the pages of the *Tribune* and wrote *A Design for News* as a guide to newspaper design.

**1986-1987** Richard D. Smyser, former editor of the *Oak Ridge*, at Oak Ridge, Tennessee, a position he'd held from the founding of the paper in 1949 until 1989. He served as president and board member of the American Society of Newspaper Editors and the Associated Press Managing Editors Association. He later taught as a visiting professor at the University of Nebraska and Pennsylvania State University.

**1987-1989** John Strohmeier, former editor and vice president of the *Bethlehem Globe-Times* and a Nieman Fellow. He won the Pulitzer Prize for editorial writing in 1972. He is currently Writer-In-Residence at UAA and is completing a book on the impact of the oil money on Alaska.

**1989-1991** Robert E. Rhodes, former executive editor of the *Caller-Times* in Corpus Christi, Texas. A newspaper man for 39 years, he served as Washington bureau chief for *Newsday*. He was president of the Associated Press Managing Editors Association and a Gannett Professional in Residence at the University of Kansas.

**1991-1993** James D. Atwater, former dean of the University of Missouri School of Journalism, and currently on leave from his professorship in the school. He served on the staff of *Time* as a correspondent and writer, and as senior editor of the World and Nation sections. He also was a senior editor for the *The Saturday Evening Post*, and a European correspondent for *The Reader's Digest*.

SENATE COMMITTEE REPORT  
First Committee of Referral

DATE: 3/17/95

FURTHER: Finance

Date of 5-Day Notice: 3/23/95  
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 4-7-95

HESS Committee considered SB 134

Establishing an endowment for the Robert B. Alwood journalism chair at the University of Alaska Anchorage. etd.

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

Senate Bill  
| same title  
| new title  
House Bill  
| same title  
| technical title  
| new SCR

Signature: <u>DO PASS</u>	DP	OTHER RECOMMENDATIONS	SR	DSP	AM
<u>John A. Hansen</u>	<input checked="" type="checkbox"/>	<u>Mike Miller</u>	<input checked="" type="checkbox"/>		
		<u>Justus E. Salo</u>	<input checked="" type="checkbox"/>		
CHAIR: <u>Lyle Green</u>	<input checked="" type="checkbox"/>				

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<u>U of A</u>	<u>4/7/95</u>		<u>1,000.00</u>

PREVIOUS FISCAL NOTE(S):\*

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

**SB**

**135**

**HFIN**

**FILE**

HOUSE COMMITTEE REPORT

(11)

Date Referred: April 21, 1995

FURTHER REFERRALS:

Date of Committee Action: 4/27/95

The FINANCE Committee considered:

SB 135 am

SENATE BILL NO. 135 am

PI-D NOTICES AND ELIGIBILITY

"An Act relating to permanent fund dividend program notice requirements, to the ineligibility for dividends of individuals convicted of felonies or incarcerated for misdemeanors, and to the determination of the number and identity of certain ineligible individuals; and providing for an effective date."

recommends it be replaced with the following committee substitute HCS CSSR 135 (Fin) | | the same title | | a new title

| | additional referral to \_\_\_\_\_ Committee  
| | attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): \_\_\_\_\_ (Type)

APPROVES PREVIOUS: \_\_\_\_\_ (Type/Date)

| | fiscal note(s) \_\_\_\_\_ ~~3~~ fiscal note(s)

Rev, 3/30/95 (#1)  
DPS 3/30/95 (#5)  
DOE 4/11/95 (#5)

| | zero fiscal note(s) \_\_\_\_\_ ~~2~~ 1 zero fiscal note(s)

DOC 3/30/95 (#2)  
Law 4/11/95 (#4)

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
Richard Foster			X	
Kelly			X	
Thermain			X	
Chulder	X			
Hanley	X			
Martin	X			
Brown		X		
Crossen	X	X		
Dewar			X	

CHAIR'S SIGNATURE

*Mark Hanley* *Richard Foster*  
Hanley Foster

# FISCAL NOTE

No. 1

Bill Version: SB135

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO. (S) Publish Date: 3-30-95

Revision Date: \_\_\_\_\_ Dept. Affected: Department of Revenue  
 Title: PFD Notices and Eligibility BRU: Permanent Fund Dividend Division  
 Component: Permanent Fund Dividend Division  
 Sponsor: SENATE FINANCE COMMITTEE  
 Requester: SENATE STATE AFFAIRS COMPONENT SERIAL NO. 981

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

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	1.9	0.0	29.7	29.7	29.7	29.7
TRAVEL						
CONTRACTUAL	0.5	0.0	4.3	4.3	4.3	4.3
SUPPLIES	0.0	0.0	0.5	0.5	0.5	0.5
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>2.4</b>	<b>0.0</b>	<b>34.5</b>	<b>34.5</b>	<b>34.5</b>	<b>34.5</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF Program Receipts						
1006 GF/MHTIA						
Other DIVIDEND FUND 1050	2.4	0.0	34.5	34.5	34.5	34.5
<b>TOTAL</b>	<b>2.4</b>	<b>0.0</b>	<b>34.5</b>	<b>34.5</b>	<b>34.5</b>	<b>34.5</b>

Estimate of any current year (FY95) cost: \$ 0.0

**POSITIONS**

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

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

See pages 2, 3

Prepared by: Nanci A. Jones, Director Phone: 465-2323  
 Division: Permanent Fund Dividend Division Date: 3/28/95  
 Approved by Commissioner: Deborah Vogt Date: 3/28/95  
 Agency: Department of Revenue

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ALASKA DEPARTMENT OF REVENUE  
 PERMANENT FUND DIVIDEND DIVISION  
ANALYSIS OF SENATE BILL 135

As of March 28, 1995

Section 2 of this legislation would add two additional conditions that would make individuals ineligible for the 1996 and subsequent dividends.

The effective dates of this bill allow two separate appropriations to be made from Permanent Fund Dividend funds in FY 96. This is done to supplement the Department of Corrections budget.

Assumptions:

1. The Department of Corrections and the Department of Public Safety will annually provide the Department of Revenue with a computer tape file of all incarcerated felons, convicted felons, and incarcerated third or subsequent convicted misdemeanants.
2. Programming changes will be a one-time cost. Ongoing maintenance of new programs would be accomplished by existing staff. The computer system will need to be changed to account for the change in the program, to establish new classes of ineligibles, and add computer generated denial letters for each class of ineligibles.
3. The cost of data processing chargebacks for mainframe will be continuing from FY 98. This will cover the cost associated with processing the computer tape with the PFD Masterfile, provide necessary printouts, and generate denial letters.
4. The cost of working an estimated 1,300 additional appeals. This is based on our history of appeals on presently incarcerated felons. One full-time Permanent Fund Dividend Specialist I will be required to work these additional appeals. It is estimated it will take until FY 98 for misdemeanants to accumulate the necessary convictions and incarceration.

Cost Summary:

1. <u>Personal Services</u>	<u>FY 96</u>	<u>FY 97</u>	<u>FY 98</u>	<u>FY 99</u>	<u>FY 00</u>	<u>FY 01</u>
a. 1 non-permanent Analyst Programmer IV, Range 19A, at \$3,748/mo., including salary and benefits, for two weeks.	1.9					
b. 1 PFT PFD Specialist I, Range 13A, at \$2,478/mo., including salary and benefits, for 12 months.			<u>29.7</u>	<u>29.7</u>	<u>29.7</u>	<u>29.7</u>
<u>Total Personal Services</u>	<u>1.9</u>		<u>29.7</u>	<u>29.7</u>	<u>29.7</u>	<u>29.7</u>

ALASKA DEPARTMENT OF REVENUE  
 PERMANENT FUND DIVIDEND DIVISION  
ANALYSIS OF SENATE BILL 135

As of March 28, 1995

2. Contractual Services

a. Data Processing Charge-back

.5                      .5                      .5                      .5                      .5

b. Additional postage required for denial letters and appeal

3.8                      3.8                      3.8                      3.8

Total Contractual Services

.5                      4.3                      4.3                      4.3                      4.3

3. Supplies

a. Forms and envelopes

.5                      .5                      .5                      .5

Total Cost

\$2.4                      \$34.5                      \$34.5                      \$34.5                      \$34.5

# FISCAL NOTE

No. 2

Bill Version: SB135

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BI) (S) Publish Date: 3-30-95

Revision Date: 3/17/95 Dept. Affected: Corrections  
 Title: An act relating to permanent fund dividend BRU: All  
 program ....individuals convicted or incarcerated....etc. etc. Component: All  
 Sponsor: Senate Finance Committee  
 Requester: State Finance COMPONENT SERIAL NO. 0694-2035

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

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )	0.0	0.0	0.0	0.0	0.0	0.0
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
1050 PFD Funds	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY95) cost: 3 0.0

**POSITIONS**

FULL-TIME					
PART-TIME					
TEMPORARY					

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

This bill increases the pool of individuals ineligible for PFD by adding non-incarcerated felons and individuals incarcerated for a third or subsequent misdemeanor offense. It is not clear how many offenders could potentially be denied, nor can one discern how many of these individuals may be ineligible for another reason and thus would not increase the available funds.

There is no certainty how much, if any, would be appropriated to an eligible agency in any given year. Further this bill makes no appropriation. One or more agencies will have to increase their reporting capability in order to make this bill operate efficiently. For example, the non-incarcerated felon group would not come to the attention of DOC.

Prepared by: Jerry Shiner  
 Division: Office of the Commissioner  
 Approved by Commissioner: [Signature] for Margaret Pugh  
 Agency: Department of Corrections

Phone: 465-4640  
 Date: 3/28/95  
 Date: 3/28/95

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STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL A

No. 3

Bill Version: SB 135

(S) Publish Date: 3-30-95

Revision Date: \_\_\_\_\_  
 Title: An act relating to permanent fund dividend program notice requirements, to the ineligibility for dividends  
 Sponsor: Senate Finance  
 Requester: Senate Finance

Dept. Affected: Public Safety  
 BRU: All  
 Component: All  
 COMPONENT SERIAL NO. 523

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	5.0	3.0	3.0	3.0	3.0	3.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	5.0	3.0	3.0	3.0	3.0	3.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ( )						
Revenue Code						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	5.0	3.0	3.0	3.0	3.0	3.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	5.0	3.0	3.0	3.0	3.0	3.0

Estimate of current year (FY 95) impact: 50 \_\_\_\_\_

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.) This fiscal note is attributed to the responsibility assigned to DPS under Section 5 to report a list of ineligible who become 3d time misdemeanants or to identify felons who are not incarcerated. The list would be based upon adhoc computer programs, developed to run annually, that summarize court judgment information contained in APSIN criminal history records.

If it is determined that the Department of Law is more readily able to provide this information, then Public Safety's fiscal note would be reduced to zero for all years.

Prepared By: Kenneth E. Bischoff, Director Phone: 465-4336  
 Division: Administrative Services Date: \_\_\_\_\_  
 Approved by Commissioner: Ronald L. Otte Date: 3/21/95  
 Agency: Dept. of Public Safety

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# FISCAL NOTE

No. 4  
 Bill Version: SSB 135 FIN  
 (S) Public Date: 4-11-95

STATE OF ALASKA  
 1995 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Dept. Affected: Department of Law  
 Title: Permanent fund dividend program...ineligibility... BRU: Prosecution  
of individuals convicted of felonies or incarcerated for misdemeanors... Component: All  
 Sponsor: Senate Finance Committee  
 Requester: Governors Office/OMB COMPONENT SERIAL NO. 0085-0090

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES

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CHANGE IN REVENUES

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FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

FULL-TIME	0.01	0.01	0.01	0.01	0.01	0.01
PART-TIME						
TEMPORARY						

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

This bill amends As 43.23 to enlarge the group of criminals made ineligible to receive permanent fund dividends to include persons who are convicted of a felony and who are not incarcerated, and to include persons convicted for a third or subsequent misdemeanor who are incarcerated. Currently only incarcerated felons are ineligible for PFDs each year that they are in prison.

Under existing law, the money that would have been given to the incarcerated felons for PFDs can instead be appropriated by the legislature to three agencies/funds: the violent crime compensation fund, the council on domestic violence and sexual assault, and the Department of Corrections. This past year, \$2.8 million was appropriated in this way: \$1.6 million to the Department of Public Safety for the violent crime compensation fund and the council on domestic violence; and \$ 1.3 million to the Department of Corrections. (\$1.4 million was undistributed.)

Prepared by: Richard I. Peaves, Director Phone: 465-3672  
 Division: Administrative Services Division Date: 3/30/95  
 Approved by Commissioner: Bruce M. Botwin, Attorney General Date: 3/30/95  
 Agency: Department of Law

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ANALYSIS CONTINUATION:

It is difficult to estimate, but a best guess is that 2,000 new people will become ineligible for a PFD, if the bill is enacted. There are a number of persons and groups who rely upon these criminals' PFDs as a source of revenue that can be garnished who will be displaced if the ineligible criminal group is enlarged to include incarcerated third-time misdemeanants and convicted felons who are not incarcerated.

First in priority are those owed child support payments (there were over 9,000 PFD garnishments for child support last year). Next are those owed court-ordered restitution, then claims on defaulted school loans (over 6,500 last year), court-ordered fines (possibly over 7,000 last year), certain writs of execution, debts owed to the state, and then debts owed to other creditors, including federal and local taxes (over 30,000 last year). Furthermore, alcohol rehabilitation groups frequently garnish PFDs to get reimbursed for services provided to clients who undergo court-ordered treatment as a result of an alcohol related offense such as DWI or domestic violence. The Department of Corrections already garnishes DWI offenders PFDs for the cost of the offenders' incarceration. To the extent that these criminals are made ineligible for PFDs, these groups will lose an important source of money for payment of these obligations.

The bill would also expand the list of agencies that may receive appropriations from the money "saved" by not giving it to criminals. In addition to the agencies listed above, the following new agencies would be allowed to receive appropriations from these funds: the Department of Revenue (for its operation of the child support enforcement agency), the Department of Public Safety, and the Department of Law.

The bill authorizes the legislature to make a one time appropriation from permanent fund earnings to the Department of Corrections. The Senate budget for Corrections is predicated on this bill passing; i.e., \$ 2.7 million of the total budget allocated in the Senate budget to Corrections comes from the permanent fund earnings account or presumably doesn't come at all.

Under existing law, the 1996 PFD is being used to make appropriations to the crime victims fund, the council on domestic violence and sexual assault, and the Department of Corrections from those criminals who were ineligible for PFDs in 1994 (i.e., the amount represented by the PFDs that were "forfeited" by criminals in 1994). The bill would shorten this "lag time" by having each year's PFD earnings account used to make the special appropriations correlate to the prior year's "forfeited" PFDs. An effective date clause in the bill initiates this new system this year. This means that there will be two appropriations from the 1996 earnings account -- one for allocations based on the 1994 forfeited PFDs (which as usual will go to the violent crime compensation fund, the council on domestic violence and sexual assault, and to the Department of Corrections) -- and a second time for a once-only extra appropriation to the Department of Corrections based on 1995's forfeited PFDs. This latter amount is estimated to be \$ 2.7 million, or about the same as last year's sum. Appropriations of this nature need not be disclosed to the public under AS 43.23.028.

It is problematic whether funds will ever be available for distribution to the Department of Law, the Department of Public Safety, or the Department of Revenue. The effective date of the section that makes incarcerated third-time or subsequent misdemeanants ineligible for PFDs is January 1, 1996, and offenses committed before the effective date may not be considered in determining the number of prior convictions for the purpose of applying ineligibility. So it appears that it will be some years before the amount appropriated in 1996 is reached again. As a consequence, any fiscal impact for the Department of Law is uncertain at this time.

# FISCAL NOTE

No. 5  
 Bill Version: CSSB 135 F  
 (S) Publish Date: 4-11-95

STATE OF ALASKA  
 1995 LEGISLATIVE SESSION

Revision Date: 4/4/95 Dept. Affected: ACPE  
 Title: An Act relating to PFD notice requirements,  
ineligibility of incarcerated misdemeanors, etc. BRU: ACPE  
 Component: Student Loan Operations  
 Sponsor: ISISFIN  
 Requester: ISISFIN COMPONENT SERIAL NO. 213

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

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES

--	--	--	--	--	--	--

CHANGE IN REVENUES

--	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

**POSITIONS**

POSITIONS	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
FULL-TIME						
PART-TIME						
TEMPORARY						

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

The provisions in this bill would incrementally impact the Alaska Student Loan program. The Alaska Commission on Postsecondary Education places claims on approximately 6,500 PFD's annually. In the last few years, only 2-5 PFD's have been released to the Department of Corrections due to the ineligibility of an incarcerated borrower. This amount could increase as the population of third-time offenders increase (the Department of Public Safety estimates an annual 17% increase in this population), however it would have a minimal impact on the total dollars collected through this method.

Prepared by: Gillian R. Hays, Legislative Liaison Phone: 485-6718  
 Division: Alaska Commission on Postsecondary Education Date: 4/4/95  
 Approved by Executive Director: Joe L. McCormick Date: 4/4/95  
 Agency: Alaska Commission on Postsecondary Education

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Official Business

# Alaska State Senate

## Senate Finance Committee

Mail Stop 3000  
State Capitol  
Juneau, Alaska 99801-3000

### MEMORANDUM

**TO:** Senator Steve Frank, SFC Co-Chairman  
**FROM:** David Skidmore, Staff Aide  
**RE:** SB 135: Bill Analysis  
**DATE:** 25 April 1995

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Current statute provides that an individual who is incarcerated for a felony conviction is ineligible for a PFD in the next calendar year (AS 43.23.005(d)); the total amount that would have been paid to such individuals if they had been eligible is available for appropriation from the dividend fund during the next fiscal year to the crime victim compensation fund, the council on domestic violence and sexual assault, or the Department of Corrections without being noticed on the dividend stub (AS 43.23.028(b)). SB 135 would change this process in four ways:

- It would increase the pool of individuals who are ineligible for a PFD to include those persons who in a given year are either convicted of a felony or incarcerated for their third or subsequent misdemeanor conviction (Sec. 2).
- It would shorten the length of time necessary before the forfeited dividend funds are available for appropriation (Sec. 3).
- It would require that the dividend stub provide public notice of the amount and use of dividend monies denied to criminals (Sec. 3).
- It would make three additions to the list of governmental entities that are eligible to receive such appropriations from the dividend fund: the Departments of Law, Public Safety, and Revenue (for operations of the child support enforcement agency; Sec. 3).

### 1. PFD Forfeiture

There are currently two types of offenders which constitute a significant burden on the criminal justice system but retain eligibility for the PFD: chronic misdemeanants (three or more convictions) and convicted felons that are not incarcerated as part of their sentence. One of the purposes of SB 135 is to obtain reimbursement for some of the costs imposed on the State by such offenders (Sec. 1).

Misdemeanants in general impose a significant burden on the criminal justice system; in fact, the average misdemeanor costs the State \$2,275.05 per conviction, based on the following 1995 departmental estimates:

- Department of Law: \$205.00
- Department of Public Safety \$500.00
- Department of Corrections \$875.05
- Public Defender Agency \$200.00
- Court System \$495.00 (FY94 ave. cost/case excl. traffic filings)

The court system reports that misdemeanor convictions represented 92% of all criminal convictions during FY94. Beyond this, the Department of Corrections has calculated that the 1,550 individuals who were incarcerated during 1993 for their third or subsequent misdemeanor had been collectively convicted of 6,589 misdemeanors. Repeat misdemeanants are thus a heavy burden on the State.

Although an offender's sentence following a felony conviction may not require incarceration, such felons still impose considerable costs on the state criminal justice system which may relate to apprehension, booking, pre-sentence incarceration, prosecution, public defender, conviction, or probation. DPS reports that the average felony investigation costs \$5,000. According to the court system, 23% of individuals convicted of felonies in FY94 did not serve jail time as part of their sentence.

It is entirely appropriate that these two types of offenders should forfeit the dividend (Sec. 2) and reimburse the State for expenses incurred by law enforcement and correctional agencies.

## 2. Appropriation Process

Currently it takes three years before the forfeited dividend funds are available for appropriation; for example, the appropriation from the dividend fund for FY96 reflects convicted felons who were incarcerated in 1993. SB 135 would amend this process such that the denied dividends would be appropriated for use by state agencies during the same fiscal year the funds are available, providing a more accurate linkage between denial and appropriation of these funds and eliminating the artificial one-year lag that currently exists. This would allow a second appropriation from the dividend fund in FY96 (the transition year), reflecting 1995 dividends denied to criminals incarcerated in 1994. It is estimated that \$2,703,700 (2,846 otherwise eligible felons--same as in 1993--incarcerated during 1994 x \$950 dividend) will be available for this second appropriation, and the Senate's FY96 DOC operating budget is predicated on the availability of these one-time funds.

## 3. New Public Notice Requirements

In response to concern over public awareness of this process, SB 135 was amended on the Senate floor to require that the dividend stub provide public notice of the total amount that would otherwise have been paid to ineligible criminals; the grounds for ineligibility; the legislative purpose in making criminals ineligible; and the amount appropriated to each of the government entities eligible to receive such appropriations.

## 4. Appropriations of Forfeited Dividends to Agencies

Since another purpose of SB 135 is to obtain reimbursement for the costs imposed on the criminal justice system by felons and chronic misdemeanants (Sec. 1), this bill would add the Departments of Law and Public Safety to the list of agencies that are eligible to receive appropriations from the dividend fund (Sec. 3).

In addition, SB 135 would also add the Department of Revenue ("for operations of the child support enforcement agency") to the list of eligible agencies (Sec. 3) in response to

concerns over the potential impact of this legislation on PFD garnishment for child support obligations. (It should be noted that even if an individual were convicted and imprisoned for a third or subsequent misdemeanor and thereby became ineligible for the PFD in a given year, he would presumably be eligible in the next dividend year; hence, the CSED would simply be delayed one year in achieving eventual satisfaction.)

Following the second appropriation during FY96, the amount available for appropriation will not increase markedly until FY98 when the expanded pool of ineligible inmates takes effect. SB 135 provides that the legislature may consider recommendations from the governor as to how this additional money should be allocated among eligible agencies (Sec. 4).

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**NOTE:** It has been implied by some that the revised appropriation process represents a "double-dip" of the same monies; however, this is simply not the case. As stated above, the first FY96 appropriation (made under the existing procedure) is for '94 dividends that were denied to criminals incarcerated in 1993; the second appropriation (made possible by SB 135's correction of the artificial one-year lag) is for '95 dividends that were denied to criminals incarcerated in 1994. These are two different pools of ineligible criminals, denied dividends for two different years. It is erroneous to say that the "same" criminals are losing the "same" dividend twice. In general, the State has two options for these criminals' dividends: either give them to the offenders or take them to offset the costs imposed on the criminal justice system. Regardless of which policy is chosen, neither option reduces anyone else's dividend.



Official Business

# Alaska State Senate

## Senate Finance Committee

Mail Stop 3000  
State Capitol  
Juneau, Alaska 99801-0302

### MEMORANDUM

**TO:** Representative Richard Foster, Co-Chairman  
Representative Mark Hanley, Co-Chairman  
House Finance Committee

**FROM:** Senator Steve Frank, Co-Chairman  
Senate Finance Committee

**RE:** Senate Bill 135: Request for Hearing

**DATE:** 24 April 1995

I respectfully request that you schedule SB 135 for a hearing. This bill closely resembles SB 378 from last year which passed the Senate by a vote of 19-0 but died in the House at the end of session.

Current statute provides that an individual who is incarcerated for a felony conviction is ineligible for a PFD in the next calendar year (AS 43.23.005(d)); the total amount that would have been paid to such individuals if they had been eligible is available for appropriation from the dividend fund during the next fiscal year to the crime victim compensation fund, the council on domestic violence and sexual assault, or the Department of Corrections without being noticed on the dividend stub (AS 43.23.028(b)).

SB 135 would change this process in four ways.

1. It would increase the pool of individuals who are ineligible for a PFD to include those persons who in a given year are either convicted of a felony or incarcerated for their third or subsequent misdemeanor conviction.
2. It would shorten the length of time necessary before the forfeited dividend funds are available for appropriation, providing a more accurate linkage between denial and appropriation of these funds and eliminating the artificial one-year lag that currently exists. This would allow a second appropriation from the dividend fund in FY96, reflecting '95 dividends denied to criminals incarcerated in 1994. The Senate's FY96 DOC operating budget is predicated on the availability of these one-time funds (roughly \$2.7 million).
3. It would require that the dividend stub provide public notice of the total amount that would otherwise have been paid to ineligible criminals; the grounds for ineligibility; the legislative purpose in making criminals ineligible; and the amount appropriated to each of the government entities eligible to receive such appropriations.
4. It would make three additions to the list of government entities that are eligible to receive such appropriations from the dividend fund: the Departments of Law, Public Safety, and Revenue (for operations of the child support enforcement agency).

**INDIVIDUALS INELIGIBLE FOR A PFD**  
**UNDER AS 43.23.005(d)**

**Current Law**

**SB 135**

Incarcerated during the qualifying  
year for a:

**Felony Conviction**

Incarcerated during the qualifying  
year for a:

**Felony Conviction**

*or*

**3rd or Subsequent Misdemeanor  
Conviction**

[only considering misdemeanor convictions occurring  
after January 1, 1996, the effective date of section  
2 of the legislation]

Convicted during the qualifying  
year (without being incarcerated)

of a:

**Felony**

**FISCAL YEAR APPROPRIATIONS OF AMOUNTS DENIED INDIVIDUALS UNDER  
AS 43.23.005(d)**

<u>Current Law</u>				<u>SB 135</u>			
<u>Qualifying Year</u>	<u>PFD</u>	<u>Dividends Denied in</u>	<u>Appropriated to Agencies for</u>	<u>Qualifying Year</u>	<u>PFD</u>	<u>Dividends Denied in</u>	<u>Appropriated to Agencies for</u>
1993	1994	FY 95	FY 96	1993	1994	FY 95	FY 96
1994	1995	FY 96	FY 97	1994	1995	<b>FY 96</b>	<b>FY 96</b>
1995	1996	FY 97	FY 98	1995	1996	<b>FY 97</b>	<b>FY 97</b>
1996	1997	FY 98	FY 99	1996	1997	<b>FY 98</b>	<b>FY 98</b>

Total amount of denied dividends is appropriated for use by state agencies during the *fiscal year after* the funds are available.

The size of the current year dividend is *artificially inflated* since the amount denied incarcerated felons in the current fiscal year is included in the calculation of the current year dividend.

Able to determine with certainty the amount available for appropriation.

Total amount of denied dividends is appropriated for use by state agencies during the **same** fiscal year the funds are available.

FY 96 "catch-up" provision eliminates the **artificial inflation** of the current year dividend by appropriating the amount denied in the current fiscal year to state agencies for the same fiscal year.

Must *rely on estimate* of PFD amount to determine the amount available for appropriation.

**STATE AGENCIES TO WHICH PFDs DENIED UNDER  
AS 43.23.005(d) CAN BE APPROPRIATED**

**Current Law**

**Department of Corrections**

**Department of Public Safety**

**Violent Crimes Compensation Fund**

**or**

**Council on Domestic Violence and  
Sexual Assault**

**SB 135**

**Department of Corrections**

**Department of Public Safety**

**Violent Crimes Compensation Fund**

**or**

**Council on Domestic Violence and  
Sexual Assault**

**or**

**Any other program in the Department**

**Department of Law**

**Department of Revenue**

**Child Support Enforcement Operations**

[cannot be used for obligor payments since a public  
appropriation cannot be used for a private purpose]

**EXAMPLE OF DISCLOSURE LANGUAGE ADDED BY**  
**AS 43.23.028(a)(4)-(5)**

Total amount of dividends denied under AS 43.23.005(d) to individuals who, during the calendar year immediately preceding the dividend year, were:

1. convicted of a felony; or
2. incarcerated at any time as a result of
  - a. a third or subsequent misdemeanor conviction; or
  - b. a felony conviction.

1994 permanent fund dividends	\$2,800,179
1995 permanent fund dividends	<u>2,703,700</u>
<b><u>Total amount of dividends denied</u></b>	<b><u>\$5,503,879</u></b>

Total amount of denied dividends that were appropriated for the FY 96 operation of the following state agencies to defray some of the costs imposed on the state criminal justice system related to the apprehension, prosecution, conviction, incarceration, and/or probation of those individuals denied dividends under AS 43.23.005(d):

Department of Public Safety	
Council on Domestic Violence and Sexual Assault	\$1,215,000
Violent Crimes Compensation Fund	<u>758,700</u>
Total Department of Public Safety	1,973,700
Department of Law	0
Department of Corrections	3,508,600
Department of Revenue	
Child Support Enforcement Division	<u>0</u>
<b><u>Total appropriated to defray criminal justice system costs</u></b>	<b><u>\$5,480,300</u></b>

**Cross references.** — For legislative purpose and intent in enacting this section, see §§ 1, 2, ch. 11, SLA 1991 in the Temporary and Special Acts.

**Effective dates.** — Section 3, ch. 11, SLA 1991, which enacted this section,

took effect on August 28, 1991.

**Editor's notes.** — Section 4, ch. 11, SLA 1991 provides that this section applies to tax years beginning after December 31, 1991.

**Article 5. General Provisions.**

**Section**

310, 320. (Repealed)

*Secs. 43.20.310, 43.20.320. Taxable years to which applicable; arrangement and classification. (Repealed, § 62 ch 21 SLA 1991.)*

**Chapter 23. Permanent Fund Dividends.**

**Section**

- 05. Eligibility
- 11. Application period
- 15. Application and proof of eligibility
- 16. Voter registration
- 25. Amount of dividend
- 28. Public notice
- 35. Penalties and enforcement
- 45. Dividend fund

**Section**

- 55. Duties of the department
- 65. Exemption of and levy on permanent fund dividends
- 67. Claims of defaulted scholarship loans
- 69. Assignments
- 95. Definitions

**Sec. 43.23.005. Eligibility.** (a) An individual is eligible to receive one permanent fund dividend each year in an amount to be determined under AS 43.23.025 if

- (1) the individual applies to the department;
  - (2) on the date of application the individual is a state resident;
  - (3) the individual was a state resident for at least the calendar year immediately preceding January 1 of the current dividend year;
  - (4) the individual has been physically present in the state at some time during the prior two calendar years before the current dividend year; and
  - (5) the individual is
    - (A) a citizen of the United States;
    - (B) an alien lawfully admitted for permanent residence in the United States;
    - (C) an alien with refugee status under federal law; or
    - (D) an alien that has been granted asylum under federal law.
- (b) *(Repealed, § 18 ch 4 SLA 1992.)*
- (c) A parent, guardian, or other authorized representative may claim a permanent fund dividend on behalf of an unemancipated

year, the minor was born to or adopted by an individual who is eligible for a dividend for the current dividend year.

(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 previous calendar year, as a result of the conviction, the individual is incarcerated.

(e) *(Repealed. § 64 ch 21 SLA 1991.)*

(f) In a time of national military emergency, the commissioner may waive the requirement of (a)(4) of this section for an individual absent from the state under military orders while serving in the armed forces of the United States, or for the spouse and dependents of that individual. (§ 1 ch 102 SLA 1982; am § 1 ch 57 SLA 1987; am § 1 ch 54 SLA 1988; am § 1 ch 159 SLA 1988; am §§ 2, 3 ch 107 SLA 1989; am § 1 ch 68 SLA 1990; am §§ 46, 62 ch 21 SLA 1991; am § 1 ch 68 SLA 1991; am §§ 4 — 8, 18 ch 4 SLA 1992)

**Cross references.** — For the application deadlines for minors who qualified for a dividend for 1992 because of the 1992 amendment to (c) of this section, see § 19, ch. 4, SLA 1992 in the Temporary and Special Acts.

**Effect of amendments.** — The first 1991 amendment, effective June 11, 1991, substituted "12 consecutive months" for "24 consecutive months" in paragraph (a)(2) and repealed subsection (e).

The second 1991 amendment, effective June 20, 1991, added subsection (f).

The 1992 amendment, effective January 1, 1993, rewrote subsections (a), (c), and (d), repealed subsection (b), and made a paragraph reference substitution in subsection (f).

**Editor's notes.** — Under §§ 5 and 20, ch. 4, SLA 1992, from April 1, 1992, to January 1, 1993, and retroactive to January 1, 1992, the last sentence of (c) of this section read "Notwithstanding (a)(1)-(3) of this section, a minor is eligible for a dividend if, during the 24 months immediately preceding the current dividend year, the minor was born to or adopted by an individual who is eligible for a dividend for the current dividend year."

**Legislative history reports.** — For legislative letter of intent relating to the enactment of subsection (f) by § 1 ch. 68, SLA 1991 (HCS CSSB 96(FIN)), see 1991 Senate Journal, pages 256, 257.

## NOTES TO DECISIONS

### **Constitutionality.**

Subsection (d) does not violate the equal protection clause of the United States Constitution and/or the Alaska Constitution. *State v. Anthony*, 810 P.2d 155 (Alaska 1991).

Subsection (d), which makes incarcerated felons ineligible for permanent fund

dividends, does not violate the ex post facto clause of either the United States or the Alaska Constitution. *State v. Anthony*, 816 P.2d 1377 (Alaska 1991).

Cited in *Morgan v. Department of Revenue*, 813 P.2d 298 (Alaska 1991); *Handley v. State, Dep't of Revenue*, 838 P.2d 1231 (Alaska 1992).

filed for a previous year's dividend by the filing deadline but who were not included in a previous year's dividend computation;

(E) less appropriations from the dividend fund during the current year, including amounts to pay costs of administering the dividend program and the hold harmless provisions of AS 43.23.075;

(2) determining the number of individuals eligible to receive a dividend payment for the current year; and

(3) dividing the amount determined under (1) of this section by the amount determined under (2) of this section.

(b) *(Repealed, § 5 ch 68 SLA 1991.)* (§ 1 ch 102 SLA 1982; am § 1 ch 55 SLA 1983; am § 2 ch 43 SLA 1984; am § 2 ch 57 SLA 1987; am § 2 ch 54 SLA 1988; am § 4 ch 68 SLA 1990; am § 1 ch 198 SLA 1990; am § 5 ch 68 SLA 1991; am § 27 ch 134 SLA 1992)

*Effect of amendments.* — The 1991 amendment, effective June 20, 1991, repealed subsection (b).

The 1992 amendment, effective July 1, 1992, made a section reference substitution in subparagraph (a)(IXA).

**Sec. 43.23.028. Public notice.** (a) By October 1 of each year the commissioner ~~shall~~ give public notice of the value of each permanent fund dividend for that year. The notice and the stub attached to each individual dividend check must disclose the amount

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

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

(3) by which each dividend has been reduced due to each appropriation from the dividend fund, including amounts to pay the costs of administering the dividend program and the hold harmless provisions of AS 43.23.075.

(b) The notice requirements of (a) of this section do not apply to appropriations from the dividend fund to the crime victim compensation fund established under AS 18.67.162, to the council on domestic violence and sexual assault established under AS 18.68.010, or to the Department of Corrections to the extent that amounts appropriated for a fiscal year do not exceed the total amount that would have been paid during the previous fiscal year to individuals who are ineligible to receive dividends under AS 43.23.005(d) if they had been eligible. (§ 2 ch 198 SLA 1990; am § 3 ch 68 SLA 1991; am § 1 ch 82 SLA 1992)

appropriation act, the un-  
 appropriation to implement the  
 e 30 of the fiscal year  
 l be used in determining  
 ar's dividend as provid  
 1982; am § 24 ch 99 SL  
 38 SLA 1989)

transmittal letter related  
 ment to (b) of this section by  
 1989 (CSHB 276 Fin) am)  
 ase Journal 933-934.

8

d. [Repealed, § 22 ch 10

ent. The department shall  
 da from the dividend fund  
 rative Procedure Act (AS  
 limits for claiming a perma  
 et the time limit for appl  
 hat the number of eligib  
 he year for which the div  
 idends for a year are pai  
 at year.

strative Procedure Act (AS  
 e limits for an individua  
 rity to apply for permanen  
 rity because the paren  
 ve did not apply on behalf

ularly in rural areas, wh  
 ability to public transport  
 and to apply for permanen

with the Department of Co  
 ividuals ineligible for a p  
 005(d);

ecessary to implement

procedures for the paren  
 tive of a disabled individ

ly for prior year permanent fund dividends not received by the  
 individual because no application was submitted on behalf of  
 individual. (§ 1 ch 102 SLA 1982; am § 2 ch 55 SLA 1983; am § 3  
 SLA 1984; am § 3 ch 54 SLA 1988; am § 5 ch 68 SLA 1990)

notes. — Section 11, ch. 99,  
 amends this section. The  
 is effective if § 1, ch. 99, SLA  
 repealed (see § 25, ch. 99, SLA  
 the amendment becomes law, the  
 read: "The department shall  
 annually make payments to indi-  
 who elect to receive cash under  
 005(d);

cept regulations under the Admin-  
 Procedure Act (AS 44.62) that es-  
 tablish procedures and time limits for  
 claiming a permanent fund dividend or for  
 an annuity credit, the depart-  
 shall set the time limit for applica-  
 for permanent fund dividends so  
 the number of eligible applicants is  
 limited by October 1 of the year for  
 the dividend is declared and perma-  
 nent dividends for a year are paid  
 April 30 of the year following that

cept regulations under the Admin-  
 Procedure Act (AS 44.62) that es-  
 tablish procedures and time limits for an

individual upon emancipation or upon  
 reaching majority to apply for permanent  
 fund dividends not credited or received  
 during minority because the parent,  
 guardian, or other authorized representa-  
 tive did not apply on behalf of the individ-  
 ual.

"(4) assist residents of the state, partic-  
 ularly in rural areas, who because of lan-  
 guage, disability, or inaccessibility to pub-  
 lic transportation need assistance to es-  
 tablish eligibility and to apply for perma-  
 nent fund dividends; and

"(5) provide the commissioner of admin-  
 istration with information necessary to  
 maintain individual annuity account  
 records and administer the annuity pro-  
 gram."

Effect of amendments. — The 1988  
 amendment deleted "and" at the end of  
 paragraph (3), and added paragraphs (5)  
 and (6).

The 1990 amendment, effective Janu-  
 ary 1, 1991, added paragraph (7).

§ 43.23.060. Duties of the department. [Repealed, § 22 ch 102  
 1982.]

§ 43.23.065. Exemption of permanent fund dividends.  
 Except as provided in (b) of this section, 45 percent of the annual  
 permanent fund dividend payable to an individual is exempt from  
 execution, garnishment, attachment, or any other remedy for the  
 collection of debt. This exemption applies to an eligible individual's  
 permanent fund dividend both before and after payment is made to  
 the individual.

An exemption is not available under this section for permanent  
 fund dividends taken to satisfy

child support obligations required by court order or decision of  
 child support enforcement agency under AS 25.27.140 —  
 25.27.220;

court ordered restitution under AS 12.55.045 — 12.55.051 or  
 12.55.100; or

a debt owed by an eligible individual to an agency of the state,  
 if the debt is contested and an appeal is pending, or the time limit  
 for filing an appeal has not expired.

(c) Claims listed in (b) of this section have priority in the order listed over other claims on a permanent fund dividend. (§ 1 ch 102 SLA 1982; am § 1 ch 157 SLA 1984; am § 1 ch 57 SLA 1985; am § 67 ch 138 SLA 1986; am § 3 ch 26 SLA 1989; am § 3 ch 198 SLA 1990)

**Revisor's notes.** — Sections 12 and 13, ch. 99, SLA 1985, amend this section and add new (b) and (c). The amendments are effective if § 1, ch. 99, SLA 1985 is repealed (see § 25, ch. 99, SLA 1985). If the amendments become law, the section will read: "(a) Fifty percent of a cash permanent fund dividend payment is exempt from levy, execution, garnishment, attachment, or any other remedy for the collection of debt. This exemption applies to an eligible individual's permanent fund dividend both before and after payment is made to the individual. An exemption is not available under this section for cash permanent fund dividend payments taken to satisfy (1) child support obligations required by court order or decision of the child support enforcement agency under AS 47.23.140 — 47.23.220; (2) a debt owed by an eligible individual to an agency of the state, unless the debt is contested and an appeal is pending, or the time limit for filing an appeal has not expired, or (3) court ordered restitution under AS 12.55.045 — 12.55.051 or 12.55.100. A child support obligation under (1) of this section has priority over a debt owed to an agency of the state, and a permanent fund dividend may not be taken to satisfy a debt under (2) of this section until any portion of the dividend necessary to satisfy a child support obligation has been taken.

"(b) The department shall require an individual to take 100 percent of the permanent fund dividend in cash if the department receives a levy, execution, garnishment, attachment or other legal remedy for the collection of a past due debt described in (a)(1) or (2) of this section.

"(c) The courts of this state may, as a condition of any civil judgment or restitution order under AS 12.55.045 — 12.55.051 or 12.55.100, require the defendant to take the defendant's permanent fund dividend in cash."

**Cross references.** — For property exempt from execution generally, see AS 09.38.

**Effect of amendments.** — The 1986 amendment rewrote this section.

The 1989 amendment repealed former paragraph (b)(3), relating to the court ordered probation fee, and redesignated former paragraph (b)(4) as present (b)(3).

The 1990 amendment, effective January 1, 1991, in subsection (a), substituted "45 percent" for "50 percent" in the first sentence.

**Editor's notes.** — Section 5, ch. 26, SLA 1989 provides that the amendments to (b) of this section by § 3, ch. 26, SLA 1989 "do not affect the collection of probation fee payments ordered by a court under AS 12.55.105, repealed by § 4 of this Act, after June 30, 1986, and before May 12, 1989."

NOTES TO DECISIONS

Cited in *Lauber v. Alaska* (In re Browne), 101 Bankr 168 (Bankr D Alaska 1989).

**Sec. 43.23.067. Claims of defaulted scholarship loans.** (a) AS 09.38 does not apply to permanent fund dividends taken under AS 14.43.120(i). Notwithstanding AS 09.35, execution on a claim under AS 14.43.120(i) is accomplished by delivering a certified claim to the department containing the following information:

- (1) the name and social security number of the individual whose dividend is being claimed;
- (2) the amount the individual owes on the scholarship loan; and
- (3) a statement that

(A) the debt has not been completely resolved in favor of the Department of Education; and

(B) if the debt has been completely resolved in favor of the Department of Education, the Commission on Postsecondary Education

shall, at the time limit for filing an appeal, resolve the debt in favor of the individual.

(b) Upon receipt of a claim under this section, the department shall notify the individual of the amount of the claim and the address provided in the individual's claim and must provide the following:

- (1) the amount of the claim;
- (2) notice that the amount of the claim may not exceed the amount of the permanent fund dividend.

(c) The Commission on Postsecondary Education shall, at the time the claim or the individual's appeal is filed, resolve the claim or the individual's appeal in favor of the individual.

(d) AS 44.62.330 — 44.62.335 shall not apply to an individual under (b)(2) of this section.

(e) The amount of the permanent fund dividend shall pay to the Alaska Commission on Postsecondary Education the amount of the claim. (§ 16 ch 102 SLA 1982)

**Sec. 43.23.070. Exemption from taxation.** AS 44.62.330 — 44.62.335 shall not apply to an individual under (b)(2) of this section.

(b) The amount of the permanent fund dividend shall pay to the Alaska Commission on Postsecondary Education the amount of the claim. (§ 16 ch 102 SLA 1982)

(c) The amount of the permanent fund dividend shall pay to the Alaska Commission on Postsecondary Education the amount of the claim. (§ 16 ch 102 SLA 1982)

**Sec. 43.23.070. Exemption from taxation.** AS 44.62.330 — 44.62.335 shall not apply to an individual under (b)(2) of this section.

(b) The amount of the permanent fund dividend shall pay to the Alaska Commission on Postsecondary Education the amount of the claim. (§ 16 ch 102 SLA 1982)

(c) The amount of the permanent fund dividend shall pay to the Alaska Commission on Postsecondary Education the amount of the claim. (§ 16 ch 102 SLA 1982)

(d) The amount of the permanent fund dividend shall pay to the Alaska Commission on Postsecondary Education the amount of the claim. (§ 16 ch 102 SLA 1982)

(e) The amount of the permanent fund dividend shall pay to the Alaska Commission on Postsecondary Education the amount of the claim. (§ 16 ch 102 SLA 1982)

(f) The amount of the permanent fund dividend shall pay to the Alaska Commission on Postsecondary Education the amount of the claim. (§ 16 ch 102 SLA 1982)

(g) The amount of the permanent fund dividend shall pay to the Alaska Commission on Postsecondary Education the amount of the claim. (§ 16 ch 102 SLA 1982)

(h) The amount of the permanent fund dividend shall pay to the Alaska Commission on Postsecondary Education the amount of the claim. (§ 16 ch 102 SLA 1982)

(i) The amount of the permanent fund dividend shall pay to the Alaska Commission on Postsecondary Education the amount of the claim. (§ 16 ch 102 SLA 1982)

(j) The amount of the permanent fund dividend shall pay to the Alaska Commission on Postsecondary Education the amount of the claim. (§ 16 ch 102 SLA 1982)

(k) The amount of the permanent fund dividend shall pay to the Alaska Commission on Postsecondary Education the amount of the claim. (§ 16 ch 102 SLA 1982)

(l) The amount of the permanent fund dividend shall pay to the Alaska Commission on Postsecondary Education the amount of the claim. (§ 16 ch 102 SLA 1982)

**SB**

**135**

SFIN

FILE

# SENATE FINANCE COMMITTEE REPORT

DATE: 3/30/95

FURTHER:

DATE TURNED INTO OFFICE: 7-11-95

The Finance Committee considered **SENATE BILL NO. 135**

Permanent fund dividend program notice requirements, to the ineligibility for dividends of individuals convicted of felonies or incarcerated for misdemeanors, and to the determination of the number and identity of certain ineligible individuals; efd.

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ )
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ )
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:
- same title
  - new title
- House Bill:
- same title
  - technical change
  - new: SCR \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Steve Rein</i>	✓	<i>Weak</i>	✓		
<i>Roll &amp; ...</i>	✓				
<i>Bob Sharp</i>	✓				
Co-Chair: <i>Mark ...</i>	✓				
Co-Chair: <i>Kim Halford</i>	✓				

**NEW FISCAL NOTE(S)**

Department	Date	Zero	Fiscal
DOL	3/24/95	0	
DOE (ACPE)	3/24/95	0	

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal
DGPS	3/24/95		5.0
DOC	3/24/95	0	
DOR (PFD)	3/25/95		2.4

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

FISCAL NOTES

Re: SB 135 PFD NOTICES AND ELIGIBILITY

<u>No.</u>	<u>Dept.</u>	<u>Date</u>	<u>Amount</u>
1.	DOR (PFD)	3/28/95	2.4
2.	DOC	3/28/95	0
3.	DPS	3/28/95	5.0
New	DOLaw	3/30/95	0
New	DOE(ACPE)	4/04/95	0
Total			<hr/> 7.4

Revised by SFC  
4/05/95

# FISCAL NOTE

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO. SB 135

Revision Date: 4/4/95 Dept. Affected: ACPE  
 Title: An Act relating to PFD notice requirements, BRU: ACPE  
ineligibility of incarcerated misdemeanors, etc. Component: Student Loan Operations  
 Sponsor: (S)FIN  
 Requester: (S)FIN COMPONENT SERIAL NO. 213

**Expenditures/Revenues**

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY95) cost: \$ 0.0

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

The provisions in this bill would incrementally impact the Alaska Student Loan program. The Alaska Commission on Postsecondary Education places claims on approximately 6,500 PFD's annually. In the last few years, only 2-5 PFD's have been released to the Department of Corrections due to the ineligibility of an incarcerated borrower. This amount could increase as the population of third-time offenders increase (the Department of Public Safety estimates an annual 17% increase in this population), however it would have a minimal impact on the total dollars collected through this method.

Prepared by: Gillian R. Hays, Legislative Liaison  
 Division: Alaska Commission on Postsecondary Education  
 Approved by Executive Director: Joe L. McClintock  
 Agency: Alaska Commission on Postsecondary Education

Phone: 465-6718  
 Date: 4-4-95  
 Date: 4-4-95

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# FISCAL NOTE

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO. SB 135

Revision Date: \_\_\_\_\_ Dept. Affected: Department of Law  
 Title: permanent fund dividend program, ineligibility BRU: Prosecution  
of individuals convicted of felonies or incarcerated for misdemeanors Component: AS  
 Sponsor: Senate Finance Committee  
 Requester: Governors Office/OAH COMPONENT SERIAL NO. 0085 0090

**Expenditures/Revenues**

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	00	00	00	00	00	00

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

**FUND SOURCE**

(Thousands of Dollars)

FUND SOURCE	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/AMTIA						
Other						
<b>TOTAL</b>	00	00	00	00	00	00

Estimate of any current year (FY95) cost: \$ 00

**POSITIONS**

POSITIONS	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
FULL TIME	00	00	00	00	00	00
PART-TIME						
TEMPORARY						

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

This bill amends AS 43 23 to enlarge the group of criminals made ineligible to receive permanent fund dividends to included persons who are convicted of a felony and who are not incarcerated, and to include persons convicted for a third or subsequent misdemeanor who are incarcerated. Currently only incarcerated felons are ineligible for PFDs each year that they are in prison.

Under existing law, the money that would have been given to the incarcerated felons for PFDs can instead be appropriated by the legislature to three agencies/funds: the violent crime compensation fund, the council on domestic violence and sexual assault, and the Department of Corrections. This past year, 12.8 million was appropriated in this way: 5.6 million to the Department of Public Safety for the violent crime compensation fund and the council on domestic violence, and 5.8 million to the Department of Corrections. 19.4 million was undistributed.

Prepared by: Richard I. Pagano, Director Phone: 465-3672  
 Division: Administrative Services Division Date: 3/30/95  
 Approved by Commissioner: Richard I. Pagano Date: 3/30/95  
 Agency: Department of Law

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ANALYSIS CONTINUATION:

It is difficult to estimate, but a best guess is that 2,000 new people will become ineligible for a PFD, if the bill is enacted. There are a number of persons and groups who rely upon these criminals' PFDs as a source of revenue that can be garnished who will be displaced if the ineligible criminal group is enlarged to include incarcerated third-time misdemeanants and convicted felons who are not incarcerated.

First in priority are those owed child support payments (there were over 9,000 PFD garnishments for child support last year). Next are those owed court-ordered restitution, then claims on defaulted school loans (over 6,500 last year), court-ordered fines (possibly over 7,000 last year), certain writs of execution, debts owed to the state, and then debts owed to other creditors, including federal and local taxes (over 30,000 last year). Furthermore, alcohol rehabilitation groups frequently garnish PFDs to get reimbursed for services provided to clients who undergo court-ordered treatment as a result of an alcohol related offense such as DWI or domestic violence. The Department of Corrections already garnishes DWI offenders PFDs for the cost of the offenders' incarceration. To the extent that these criminals are made ineligible for PFDs, these groups will lose an important source of money for payment of these obligations.

The bill would also expand the list of agencies that may receive appropriations from the money "saved" by not giving it to criminals. In addition to the agencies listed above, the following new agencies would be allowed to receive appropriations from these funds: the Department of Revenue (for its operation of the child support enforcement agency), the Department of Public Safety, and the Department of Law.

The bill authorizes the legislature to make a one time appropriation from permanent fund earnings to the Department of Corrections. The Senate budget for Corrections is predicated on this bill passing: i.e., \$ 2.7 million of the total budget allocated in the Senate budget to Corrections comes from the permanent fund earnings account or presumably doesn't come at all.

Under existing law, the 1996 PFD is being used to make appropriations to the crime victims fund, the council on domestic violence and sexual assault, and the Department of Corrections from those criminals who were ineligible for PFDs in 1994 (i.e., the amount represented by the PFDs that were "forfeited" by criminals in 1994). The bill would shorten this "lag time" by having each year's PFD earnings account used to make the special appropriations correlate to the prior year's "forfeited" PFDs. An effective date clause in the bill initiates this new system this year. This means that there will be two appropriations from the 1996 earnings account -- one for allocations based on the 1994 forfeited PFDs (which as usual will go to the violent crime compensation fund, the council on domestic violence and sexual assault, and to the Department of Corrections) -- and a second time for a once-only extra appropriation to the Department of Corrections based on 1995's forfeited PFDs. This latter amount is estimated to be \$ 2.7 million, or about the same as last year's sum. Appropriations of this nature need not be disclosed to the public under AS 43.23.02B.

It is problematic whether funds will ever be available for distribution to the Department of Law, the Department of Public Safety, or the Department of Revenue. The effective date of the section that makes incarcerated third-time or subsequent misdemeanants ineligible for PFDs is January 1, 1996, and offenses committed before the effective date may not be considered in determining the number of prior convictions for the purpose of applying ineligibility. So it appears that it will be some years before the amount appropriated in 1996 is reached again. As a consequence, any fiscal impact for the Department of Law is uncertain at this time.

# FISCAL NOTE

2129195  
15 STA, FIN

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO. SB 135

Revision Date: \_\_\_\_\_ Dept. Affected: Department of Revenue  
Title: PFD Notices and Eligibility BRU: Permanent Fund Dividend Division  
Component: Permanent Fund Dividend Division

Sponsor: SENATE FINANCE COMMITTEE  
Requester: SENATE STATE AFFAIRS COMPONENT SERIAL NO 981

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

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	1.0	0.0	29.7	29.7	29.7	29.7
TRAVEL						
CONTRACTUAL	0.5	0.0	4.3	4.3	4.3	4.3
SUPPLIES	0.0	0.0	0.5	0.5	0.5	0.5
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>2.4</b>	<b>0.0</b>	<b>34.5</b>	<b>34.5</b>	<b>34.5</b>	<b>34.5</b>

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

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTA						
Other DIVIDEND FUND 1050	2.4	0.0	34.5	34.5	34.5	34.5
<b>TOTAL</b>	<b>2.4</b>	<b>0.0</b>	<b>34.5</b>	<b>34.5</b>	<b>34.5</b>	<b>34.5</b>

Estimate of any current year (FY95) cost: \$ 00

**POSITIONS**

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

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

See pages 2, 3

Prepared by: Nanci A. Jones, Director Phone: 465-2323  
Division: Permanent Fund Dividend Division Date: 3/28/95  
Approved by Commissioner: Deborah Vogt Date: 3/28/95  
Agency: Department of Revenue

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ALASKA DEPARTMENT OF REVENUE  
 PERMANENT FUND DIVIDEND DIVISION  
ANALYSIS OF SENATE BILL 135

As of March 28, 1995

Section 2 of this legislation would add two additional conditions that would make individuals ineligible for the 1996 and subsequent dividends.

The effective dates of this bill allow two separate appropriations to be made from Permanent Fund Dividend funds in FY 96. This is done to supplement the Department of Corrections budget.

Assumptions:

1. The Department of Corrections and the Department of Public Safety will annually provide the Department of Revenue with a computer tape file of all incarcerated felons, convicted felons, and incarcerated third or subsequent convicted misdemeanants.
2. Programming changes will be a one-time cost. Ongoing maintenance of new programs would be accomplished by existing staff. The computer system will need to be changed to account for the change in the program, to establish new classes of ineligible, and add computer generated denial letters for each class of ineligible.
3. The cost of data processing chargebacks for mainframe will be continuing from FY 98. This will cover the cost associated with processing the computer tape with the PFD Masterfile, provide necessary printouts, and generate denial letters.
4. The cost of working an estimated 1,800 additional appeals. This is based on our history of appeals on presently incarcerated felons. One full-time Permanent Fund Dividend Specialist I will be required to work these additional appeals. It is estimated it will take until FY 98 for misdemeanants to accumulate the necessary convictions and incarceration.

Cost Summary:

<u>1. Personal Services</u>	<u>FY 96</u>	<u>FY 97</u>	<u>FY 98</u>	<u>FY 99</u>	<u>FY 00</u>	<u>FY 01</u>
a. 1 non-permanent Analyst Programmer IV, Range 19A, at \$3,748/mo., including salary and benefits, for two weeks.	19					
b. 1 PFT PFD Specialist I, Range 13A, at \$2,478/mo., including salary and benefits, for 12 months.			<u>29.7</u>	<u>29.7</u>	<u>29.7</u>	<u>29.7</u>
<u>Total Personal Services</u>	<u>19</u>		<u>29.7</u>	<u>29.7</u>	<u>29.7</u>	<u>29.7</u>

ALASKA DEPARTMENT OF REVENUE  
 PERMANENT FUND DIVIDEND DIVISION  
ANALYSIS OF SENATE BILL 135

As of March 28, 1995

2. Contractual Services

a. Data Processing Charge-back	.5	.5	.5	.5	.5
b. Additional postage required for denial letters and appeal		<u>3.8</u>	<u>3.8</u>	<u>3.8</u>	<u>3.8</u>
<u>Total Contractual Services</u>	<u>.5</u>	<u>4.3</u>	<u>4.3</u>	<u>4.3</u>	<u>4.3</u>

3. Supplies

a. Forms and envelopes		<u>.5</u>	<u>.5</u>	<u>.5</u>	<u>.5</u>
<u>Total Cost</u>	<u>\$2.4</u>	<u>\$34.5</u>	<u>\$34.5</u>	<u>\$34.5</u>	<u>\$34.5</u>

# FISCAL NOTE

No. 1

Bill Version: SB135

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO. (S) Publish Date: 3-20-95

Revision Date: \_\_\_\_\_ Dept. Affected: Department of Revenue  
 Title: RFD Notices and Eligibility BRU: Permanent Fund Dividend Division  
 Component: Permanent Fund Dividend Division  
 Sponsor: SENATE FINANCE COMMITTEE  
 Requester: SENATE STATE AFFAIRS COMPONENT SERIAL NO. 681

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

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	19	00	297	297	297	297
TRAVEL						
CONTRACTUAL	05	00	43	43	43	43
SUPPLIES	00	00	05	05	05	05
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>24</b>	<b>00</b>	<b>345</b>	<b>345</b>	<b>345</b>	<b>345</b>

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

**FUND SOURCE** (Thousands of Dollars)

*102 Federal Receipts						
*103 GF Match						
*104 GF						
*105 GF Program Receipts						
*106 GF MHTA						
Cont. DIVIDEND FUND PROJ	24	00	345	345	345	345
<b>TOTAL</b>	<b>24</b>	<b>00</b>	<b>345</b>	<b>345</b>	<b>345</b>	<b>345</b>

Estimate of any current year (FY95) cost: \$ 00

**POSITIONS**

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

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

See pages 2, 3

Prepared by: Nancy A. Jones, Director Phone: 465-2322  
 Division: Permanent Fund Dividend Division Date: 3/20/95  
 Approved by Commissioner: Deborah Vogt Date: 3/20/95  
 Agency: Department of Revenue

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ALASKA DEPARTMENT OF REVENUE  
 PERMANENT FUND DIVIDEND DIVISION  
ANALYSIS OF SENATE BILL 135

As of March 28, 1995

Section 2 of this legislation would add two additional conditions that would make individuals ineligible for the 1996 and subsequent dividends.

The effective dates of this bill allow two separate appropriations to be made from Permanent Fund Dividend funds in FY 96. This is done to supplement the Department of Corrections budget.

Assumptions:

1. The Department of Corrections and the Department of Public Safety will annually provide the Department of Revenue with a computer tape file of all incarcerated felons, convicted felons, and incarcerated third or subsequent convicted misdemeanants
2. Programming changes will be a one-time cost. Ongoing maintenance of new programs would be accomplished by existing staff. The computer system will need to be changed to account for the change in the program, to establish new classes of ineligibles, and add computer generated denial letters for each class of ineligibles.
3. The cost of data processing chargebacks for mainframe will be continuing from FY 98. This will cover the cost associated with processing the computer tape with the PFD Masterfile, provide necessary printouts, and generate denial letters.
4. The cost of working an estimated 1,800 additional appeals. This is based on our history of appeals on presently incarcerated felons. One full-time Permanent Fund Dividend Specialist I will be required to work these additional appeals. It is estimated it will take until FY 98 for misdemeanants to accumulate the necessary convictions and incarceration.

Cost Summary:

<u>1. Personal Services</u>	<u>FY 96</u>	<u>FY 97</u>	<u>FY 98</u>	<u>FY 99</u>	<u>FY 00</u>	<u>FY 01</u>
a. 1 non-permanent Analyst Programmer IV, Range 19A, at \$3,748 mo, including salary and benefits, for two weeks.	19					
b. 1 PFT PFD Specialist I, Range 13A, at \$2,478 mo, including salary and benefits, for 12 months.			<u>297</u>	<u>297</u>	<u>297</u>	<u>297</u>
<b><u>Total Personal Services</u></b>	<u>19</u>		<u>297</u>	<u>297</u>	<u>297</u>	<u>297</u>

ALASKA DEPARTMENT OF REVENUE  
 PERMANENT FUND DIVIDEND DIVISION  
ANALYSIS OF SENATE BILL 135

As of March 28, 1995

2. Contractual Services

a. Data Processing Charge-back

.5                      .5                      .5                      .5                      .5

b. Additional postage required for denial letters and appeal

3.8                      3.8                      3.8                      3.8

Total Contractual Services

.5                      4.3                      4.3                      4.3                      4.3

3. Supplies

a. Forms and envelopes

.5                      .5                      .5                      .5

Total Cost

\$2.4                      \$34.5                      \$34.5                      \$34.5                      \$34.5

3/29/95 #2  
 (S) STA, FIN

# FISCAL NOTE

STATE OF ALASKA  
 1995 LEGISLATIVE SESSION

BILL NO. SB 135

Revision Date: 3/17/95 Dept. Affected: Corrections  
 Title: An act relating to permanent fund dividend BRU: All  
 program ....individuals convicted or incarcerated...etc. etc. Component: All  
 Sponsor: Senate Finance Committee  
 Requester: State Finance COMPONENT SERIAL NO. 0694-2035

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

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
1050 PFD Funds	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY95) cost: \$ 0.0

**POSITIONS**

FULL TIME						
PART-TIME						
TEMPORARY						

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

This bill increases the pool of individuals ineligible for PFD by adding non-incarcerated felons and individuals incarcerated for a third or subsequent misdemeanor offense. It is not clear how many offenders could potentially be denied, nor can one discern how many of these individuals may be ineligible for another reason and thus would not increase the available funds.

There is no certainty how much, if any, would be appropriated to an eligible agency in any given year. Further this bill makes no appropriation. One or more agencies will have to increase their reporting capability in order to make this bill operate efficiently. For example, the non-incarcerated felon group would not come to the attention of DOC.

Prepared by: Jerry Shriner  
 Division: Office of the Commissioner  
 Approved by Commissioner: [Signature] Margaret Pugh  
 Agency: Department of Corrections

Phone: 465-4640  
 Date: 3/28/95  
 Date: 3/28/95

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# FISCAL NOTE

No. 2

Bill Version: SB 135

Bill (S) Publish Date: 3-30-95

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

Revision Date: 3/17/95 Dept. Affected: Corrections  
 Title: An act relating to permanent fund dividend BRU: All  
program ... individuals convicted or incarcerated ... etc. etc. Component: All  
 Sponsor: Senate Finance Committee  
 Requester: State Finance COMPONENT SERIAL NO. 0694-2035

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

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES	0.0	0.0	0.0	0.0	0.0	0.0
--------------------	-----	-----	-----	-----	-----	-----

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF Program Receipts						
1006 GF MHTIA						
1050 PFD Funds	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY95) cost: \$ 0.0

**POSITIONS**

FULL-TIME					
PART-TIME					
TEMPORARY					

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

This bill increases the pool of individuals ineligible for PFD by adding non-incarcerated felons and individuals incarcerated for a third or subsequent misdemeanor offense. It is not clear how many offenders could potentially be denied, nor can one discern how many of these individuals may be ineligible for another reason and thus would not increase the available funds.

There is no certainty how much, if any, would be appropriated to an eligible agency in any given year. Further, this bill makes no appropriation. One or more agencies will have to increase their reporting capability in order to make this bill operate efficiently. For example, the non-incarcerated felon group would not come to the attention of DOC.

Prepared by Jerry Steiner  
 Division Office of the Commissioner

Phone 465-4640  
 Date 3/28/95

Approved by Commissioner [Signature] 705  
 Agency Department of Corrections

Date 3/28/95

**PREPARER TO PROVIDE ALL DISTRIBUTION COMES TO GOVERNOR'S LEGISLATIVE OFFICE**

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# FISCAL NOTE

3129/95 #  
(S)STA, FIN 3

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO: SB 135

Revision Date: \_\_\_\_\_ Dept. Affected: Public Safety  
 Title: An act relating to permanent fund dividend program BRU: All  
notice requirements, to the ineligibility for dividends Component: All  
 Sponsor: Senate Finance  
 Requester: Senate Finance COMPONENT SERIAL NO. 523

**EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)**

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	5.0	3.0	3.0	3.0	3.0	3.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>5.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>
<b>CAPITAL EXPENDITURES</b>						

CHANGE IN REVENUES ( )						
Revenue Code						

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF	5.0	3.0	3.0	3.0	3.0	3.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>5.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>

Estimate of current year (FY 95) impact: \$0 \_\_\_\_\_


**POSITIONS:**

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

**ANALYSIS:** (Attach a separate page if necessary.) This fiscal note is attributed to the responsibility assigned to DPS under Section 5 to report a list of ineligible who become 3d time misdemeanants or to identify felons who are not incarcerated. The list would be based upon adhoc computer programs, developed to run annually, that summarize court judgment information contained in AFSIN criminal history records.

If it is determined that the Department of Law is more readily able to provide this information, then Public Safety's fiscal note would be reduced to zero for all years.

Prepared By: Kenneth E. Bischoff, Director Phone: 465-4336  
 Division: Administrative Services Date: \_\_\_\_\_

Approved by Commissioner:  Date: 3/21/95  
 Agency: Ronald L. Orin, Dept. of Public Safety

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# FISCAL NOTE

No. 3

Bill Version: SB 135

(S) Publish Date: 3-30-95

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL A

Revision Date: \_\_\_\_\_  
Title: An act relating to permanent fund dividend program notice requirements, to the ineligibility for dividends  
Sponsor: Senate Finance  
Requester: Senate Finance

Dept. Affected: Public Safety  
BRU: All  
Component: All

COMPONENT SERIAL NO. 523

**EXPENDITURES/REVENUES: (Thousands of Dollars) (Inflation not included)**

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	5.0	3.0	3.0	3.0	3.0	3.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>5.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>

CAPITAL EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01

CHANGE IN REVENUES ( ) Revenue Code	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF	5.0	3.0	3.0	3.0	3.0	3.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>5.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>

Estimate of current year (FY 95) impact: \$0 \_\_\_\_\_

**POSITIONS**

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

**ANALYSIS:** (Attach a separate page if necessary.) This fiscal note is attributed to the responsibility assigned to DPS under Section 5 to report a list of ineligible who become 3d time offenders or to identify felons who are not incarcerated. The list would be based upon adhoc computer programs, developed to run annually, that summarize court judgment information contained in APSIN criminal history records.

If it is determined that the Department of Law is more readily able to provide this information, then Public Safety's fiscal note would be reduced to zero for all years.

Prepared By: Kenneth E. Bischoff, Director Phone: 465-4336  
Director: Administrative Services Date: \_\_\_\_\_

Approved by Commissioner: Ronald L. Otte Date: 3/22/95  
Agency: Ronald L. Otte, Dept. of Public Safety

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Official Business

# Alaska State Senate

## Senate Finance Committee

Mail Stop 4000  
State Capitol  
Juneau, Alaska 99801-4000

### MEMORANDUM

TO: Senator Steve Frank  
FROM: David Skidmore  
RE: SB 135: Bill Analysis  
DATE: 27 March 1995

Current statute provides that individuals who are incarcerated for a felony conviction are ineligible for a PFD in the next calendar year (AS 43.23.005(d)); the total amount that would have been paid to these individuals if they had been eligible is available for appropriation from the dividend fund during the next fiscal year to the crime victim compensation fund, the council on domestic violence and sexual assault, or the Department of Corrections (AS 43.23.028(b)). SB 135 would change this process in three ways.

First, it would increase the pool of individuals who are ineligible for a PFD to include those persons who in a given year are either convicted of a felony or incarcerated for their third or subsequent misdemeanor conviction (Sec. 2).

Second, it would shorten the length of time necessary before the forfeited dividend funds are available for appropriation (Sec. 3).

Third, it would make three additions to the list of governmental entities that are eligible to receive such appropriations from the dividend fund: the Department of Law, the Department of Public Safety, and the Department of Revenue for operations of the child support enforcement agency (Sec. 3).

### I. PFD Forfeiture

There are currently two types of offenders that constitute a significant burden on the criminal justice system but retain eligibility for the PFD: chronic misdemeanants (three or more convictions) and convicted felons that are not incarcerated as part of their sentence. One of the purposes of SB 135 is to obtain reimbursement for some of the costs imposed on the State by such offenders (Sec. 1).

Misdemeanants in general impose a significant burden on the criminal justice system; in fact, the average misdemeanor costs the State \$2,275.05 per conviction, based on the following 1995 projections:

• Department of Law	\$205.00
• Department of Public Safety	\$500.00
• Department of Corrections	\$875.05
• Public Defender Agency	\$200.00
• Court System	\$495.00 (FY94 ave. cost/case excl. traffic filings)

The court system reports that misdemeanor convictions represented 92% of all criminal convictions during FY94. Beyond this, the Department of Corrections has calculated that the 1,550 individuals who were incarcerated during CY93 for their third or subsequent misdemeanor had been collectively convicted of 6,589 misdemeanors. Repeat misdemeanants are thus a heavy burden on the State.

Although an offender's sentence following a felony conviction may not require incarceration, such felons still impose considerable costs on the state criminal justice system which may relate to apprehension, booking, pre-sentence incarceration, prosecution, public defender, conviction, or probation. DPS reports that the average felony investigation costs \$5,000. According to the court system, 23% of individuals convicted of felonies in FY94 did not serve jail time as part of their sentence.

It is entirely appropriate that these two types of offenders should forfeit the dividend (Sec. 2) and reimburse the State for expenses incurred by its law enforcement and correctional agencies.

## 2. Expedited Appropriation Process

Currently it takes three years before the forfeited dividend funds are available for appropriation; for example, the appropriation from the dividend fund for FY96 reflects convicted felons who were incarcerated in CY93. SB 135 would shorten this process to two years, providing a more accurate linkage between denial and appropriation of these funds. This would have the effect of "bumping up" future appropriations by one year, thereby allowing a second appropriation from the dividend fund for FY96. It is estimated that \$2,703,700 (2,846 otherwise eligible felons--same as CY93--incarcerated during CY94 x \$950 dividend) will be available for this second appropriation, and it is the intent of the Senate Finance Committee that this entire amount should be allocated to the Department of Corrections for management of emergency prison overcrowding. (The FY96 DOC operating budget cap--\$130,403.9--includes a fund switch of \$2.7 million from GF to dividend funds.)

## 3. Appropriations of Forfeited Dividends to Agencies

Since another purpose of SB 135 is to obtain reimbursement for the costs imposed on the state criminal justice system by felons and chronic misdemeanants (Sec. 1), this bill would add the Departments of Law and Public Safety to the list of agencies that are eligible to receive appropriations from the dividend fund (Sec. 3).

In addition, SB 135 would also add the Department of Revenue ("for operations of the child support enforcement agency") to the list of eligible agencies (Sec. 3) in response to concerns over the potential impact of this legislation on PFD garnishment for child support obligations. (It should be noted that even if an individual were convicted and imprisoned for a third or subsequent misdemeanor and thereby became ineligible for the PFD in a given year, he would presumably be eligible in the next dividend year; hence, the CSED would simply be delayed one year in achieving eventual satisfaction.)

Following the second appropriation during FY96, the amount available for appropriation will not increase markedly until FY98 when the expanded pool of ineligible inmates takes effect. SB 135 provides that the legislature may consider recommendations from the governor as to how this additional money should be allocated among eligible agencies (Sec. 3).

INDIVIDUALS INELIGIBLE FOR A PFD  
UNDER AS 43.23.005(d)

Current Law

SB 135

Incarcerated during the qualifying  
year for a:

Felony Conviction

Incarcerated during the qualifying  
year for a:

Felony Conviction

or

3rd or Subsequent Misdemeanor  
Conviction

(only considering misdemeanor convictions occurring  
after January 1, 1996, the effective date of the  
legislation)

Convicted during the qualifying  
year (without being incarcerated)

of a:

Felony

FISCAL YEAR APPROPRIATIONS OF AMOUNTS DENIED INDIVIDUALS UNDER  
AS 43.23.005(d)

<u>Current Law</u>				<u>SB 135</u>			
<u>Qualifying Year</u>	<u>PFD</u>	<u>Dividends Denied in</u>	<u>Appropriated to Agencies for</u>	<u>Qualifying Year</u>	<u>PFD</u>	<u>Dividends Denied in</u>	<u>Appropriated to Agencies for</u>
1993	1994	FY 95	FY 96	1993	1994	FY 95	FY 96
1994	1995	FY 96	FY 97	1994	1995	FY 96	FY 96
1995	1996	FY 97	FY 98	1995	1996	FY 97	FY 97
1996	1997	FY 98	FY 99	1996	1997	FY 98	FY 98

Total amount of denied dividends is appropriated for use by state agencies during the *fiscal year after* the funds are available.

The size of the current year dividend is *artificially inflated* since the amount denied incarcerated felons in the current fiscal year is included in the calculation of the current year dividend.

Able to determine with certainty the amount available for appropriation.

Total amount of denied dividends is appropriated for use by state agencies during the *same fiscal year* the funds are available.

FY 96 "catch-up" provision eliminates the *artificial inflation* of the current year dividend by appropriating the amount denied in the current fiscal year to state agencies for the same fiscal year.

Must *rely on estimate* of PFD amount to determine the amount available for appropriation.

STATE AGENCIES TO WHICH PFDs DENIED UNDER  
AS 43.23.005(d) CAN BE APPROPRIATED

Current Law

Department of Corrections

Department of Public Safety

Violent Crimes Compensation Fund

or

Council on Domestic Violence and  
Sexual Assault

SB 135

Department of Corrections

Department of Public Safety

Violent Crimes Compensation Fund

or

Council on Domestic Violence and  
Sexual Assault

or

Any other program in the Department

Department of Law

Department of Revenue

Child Support Enforcement Operations

(cannot be used for obligor payments since a public  
appropriation cannot be used for a private purpose)

**Amounts Available for Appropriation  
to State Agencies  
from Permanent Fund Dividend Fund  
(as a result of the ineligibility of criminals)**

---

Under Current Law  
(in thousands)

**\$2,578**

FY93

**\$2,409**

FY94

**\$2,419**

FY95

**\$2,800**

FY96

---

Under S.B. 135  
(in thousands)

**\$2,578**

FY93

**\$2,409**

FY94

**\$2,419**

FY95

**\$2,504**

FY96

SENATE COMMITTEE REPORT  
First Committee of Referral

DATE: 3/17/95

FURTHER: Finance

Date of 5-Day Notice: 3/23/95  
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3/29/95

State Affairs Committee considered SB 135

Permanent fund dividend program notice requirements/eligibility for dividends of individuals convicted of felonies or incarcerated for misdemeanors, etc.

*2 FIVE 10/15*

and recommends

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

Senate Bill  
same title  
new title  
House Bill  
same title  
technical title  
new SCR\*

SIGNING OFFICER	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Low A. Brown</i>	✓	<i>RECEIVED</i>	✓		
<i>[Signature]</i>		<i>[Signature]</i>	✓		
		<i>[Signature]</i>	✓		
CHAIR <i>[Signature]</i>	✓				

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<i>P&amp;A SAFETY</i>	<i>3/28</i>		<i>5.0</i>
<i>CORRECTIONS</i>	<i>3/28</i>	✓	
<i>REVENUE</i>	<i>3/28</i>		<i>2.4</i>

PREVIOUS FISCAL NOTE(S):\*

Department	Date	Zero	Fiscal

APPROPRIATION - no fiscal note

\*include fiscal notes accompanying Governor's bill

**SB**

**136**

**HFIN**

**FILE**

# HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: May 3, 1996

FURTHER REFERRALS:

Date of Committee Action: 5/4/96

The FINANCE Committee considered:

2d CSSB 136(FIN) am(brf sup maj fld)

2d CS FOR SENATE BILL NO. 136(FIN) am(brf sup maj fld)

APPROP: FY 97 CAPITAL PROJECTS

"An Act making, amending, and repealing appropriations; and providing for an effective date."

recommends it be replaced with the following committee substitute HCS CSSB 136(FIN)  the same title  a new title

additional referral to \_\_\_\_\_ Committee  
 attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dep) \_\_\_\_\_ APPROVES PREVIOUS: (Dep, Date) \_\_\_\_\_

fiscal note(s) \_\_\_\_\_  fiscal note(s) \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_  zero fiscal note(s) \_\_\_\_\_

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Richard J. Kelly</i>	Foster	X			
<i>Pat Kelly</i>	Kelly	X			
<i>James Harrington</i>	Kanning	X			
<i>James Harrington</i>	Tringali	X			
<i>James Harrington</i>	Brown			X	
<i>James Harrington</i>	Murder	X			
<i>Mark Stanley</i>	Stanley	X			

CHAIR'S SIGNATURE *Mark Stanley* *Richard J. Kelly*

NO OBJ

AMENDMENT 1

OFFERED IN THE HOUSE

BY REPRESENTATIVE PARNELL

TO: 2D CS SB 136 (FW) AM (BRF SUP MAJ FLB)

1 Page 7, following line 20: *and adding section in proposed*

2 Insert a new subsection to read:

3 "(d) The unexpended and unobligated balance of the appropriation made in sec. 154,  
4 ch. 5, FSSLA 1992, page 93, line 15 (Anchorage School District Taku Elementary School -  
5 \$95,000) is reappropriated to the Department of Administration for payment as a grant under  
6 AS 37.05.315 to the Municipality of Anchorage, Anchorage School District, for Taku  
7 Elementary School maintenance, site improvements, and equipment."

NO OBJ  
AMENDMENT 2

OFFERED IN THE SENATE

BY *Martin*

TO: CSHB 500(FIN) "M" version dated 5/3/96

1 ~~Page 27, following line 4~~

2 Insert a new bill section to read:

3 "Sec. 61. The unexpended and unobligated balance of the appropriation made in sec. 21,  
4 ch. 79, SLA 1993, page 94, lines 19 - 22 (Parnigan Elementary safety zone light - \$25,000)  
5 is reappropriated to the Department of Administration for payment as a grant under AS  
6 37.05.315 to the Municipality of Anchorage for park facilities design and construction for  
7 Towne East Park."

8 Renumber the following bill sections accordingly

9 ~~Page 27 line 15~~

10 Delete "sec. 67"

11 Insert "sec. 68"

NO 013j  
Amendment 3

\* Sec \_\_\_\_ DEPARTMENT OF ADMINISTRATION (a) The unexpended and unobligated balance on June 30, 1996 of the appropriation made in sec 42, ch 3, FSSLA 94, page 14, line 11 (Centralized Administrative Services - \$25,977,800) and encumbered in encumbrance number 250134, "Arbitration/mediation hearings for FY95 labor relations backlog of cases" is reappropriated to the Department of Administration, Labor Relations, for resolution of arbitration cases for the fiscal year ending June 30, 1997

(b) The unexpended and unobligated balance on June 30, 1996 of the appropriations made in sec 38, ch 65, SLA 93, page 11, line 38 (Office of the Commissioner - \$25,950,700) and sec 5, ch 2, FSSLA 94, page 2, line 5 (Division of Personnel, office of equal employment opportunity - \$100,000) and encumbered in encumbrance number 241382, is reappropriated to the Department of Administration, Labor Relations, for resolution of arbitration cases for the fiscal year ending June 30, 1997

\* Sec \_\_\_\_ DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT (a) The unexpended and unobligated balance on June 30, 1996, of the Department of Commerce and Economic Development, division of insurance, general fund program receipts from insurance fees under AS 21 06 250 is appropriated to the division of insurance for operating costs for the fiscal year ending June 30, 1997

(b) The encumbered balance of the appropriation to the Department of Commerce and Economic Development, Division of Economic Development, made in SLA 1994, ch 3, page 28, line 5 (ARDOR Grant for Bering Strait Economic Council) is repealed and reappropriated to the Department of Commerce and Economic Development for the Arctic-Yukon-Kuskokwim Salmon Targeted Marketing pilot program [THIS NEEDS TO BE IDENTIFIED AS CAPITAL]

(c) The unexpended and unobligated balance on June 30, 1996 of the appropriation made in sec 19, ch 79, SLA 1993, page 15, line 13, as amended by sec 59, ch 8, FSSLA 1994, (Coal Initiatives/Test Shipment Project- \$150,000) is reappropriated to the Department of Commerce and Economic Development for the Arctic-Yukon-Kuskokwim Salmon Targeted Marketing pilot program [THIS NEEDS TO BE IDENTIFIED AS CAPITAL]

(d) The sum of \$29,000 in program receipts from the consent agreement between the State of Alaska and Paine Webber, Inc., for sales practice violations of the Alaska Securities Act, is appropriated to the Department of Commerce and Economic Development, Division of Banking, Securities and Corporations, enhancing investor protection and expanding public awareness for FY96 and FY97

**ADD to SEC 43 of DRAFT BILL**

(e) \$25,000 of the unexpended and unobligated balance of the appropriation made in sec 47, ch 94, SLA 1995, page 15, line 18 and allocated on line 21 (Audit and Management Services - \$848,000) is reappropriated to the Office of the Governor,

Division of Elections, to provide a back-up system for vote tabulation, and to meet polling booth requirements of AS 15.15.060 relating to the 1996 primary and general elections. [THIS NEEDS TO BE IDENTIFIED AS CAPITAL]

(f) \$85,000 of the unexpended and unobligated balance of the appropriation made in sec. 47, ch. 94, SLA 1995, page 15, line 12 (Executive Operations - \$7,441,300) is reappropriated to the Office of the Governor, Division of Elections, to provide a back-up system for vote tabulation, and to meet polling booth requirements of AS 15.15.060 relating to the 1996 primary and general elections. [THIS NEEDS TO BE IDENTIFIED AS CAPITAL]

AMENDMENT

The unexpended and unobligated balance of the appropriation, not to exceed ~~\$10,000,000~~ \$15,000,000 made in Section 13, Chapter 79, SLA 93, page 5, lines 6-12 (Department of Transportation and Public Facilities - road connecting the Seward Highway and the Port of Whittier, \$15,000,000) is repealed and reappropriated in the following manner:

The sum of \$900,000 to the Municipality of Anchorage for the purpose of water and sewer upgrades and construction.

The sum of \$250,000 to the Department of Transportation and Public Facilities for the maintenance of the Kodiak Harbor Electrical Distribution System.

The sum of \$75,000 to the Department of Natural Resources for the virus free seed potato project.

The sum of \$250,000 to the Department of Natural Resources for the Land Status Geographic Information Systems.

The sum of \$1,000,000 to the Alaska Children's Trust fund (AS 37.14.200).

The sum of \$500,000 to the Ketchikan School District for the purpose of cove upgrades.

The sum of \$600,000 to the City of Kenai for the purpose of water system completion.

The sum of \$250,000 to the Lake & Peninsula School District for the purpose of district-wide repairs and renovations.

The sum of \$200,000 to the Juneau School District for the purpose of district-wide repairs and renovations.

The sum of \$150,000 to the Fairbanks North Star Borough for the purpose of North Pole High School outdoor equipment and storage facility.

The sum of \$825,000 to the Fairbanks North Star Borough School District for the purpose of district-wide repairs and renovations.

The sum of \$500,000 to the Sitka School District for the purpose of repairs and renovations.

The sum of \$500,000 to the Denali Borough School District for the purpose of district-wide repairs and renovations.

The sum of \$500,000 to the Mat-Su School District for the purpose of district-wide repairs and renovations.

The sum of \$600,000 to the Anchorage School District for the purpose of design and construction of pedestrian overpasses at Spring Hill Elementary and Muldoon Elementary.

The sum of \$500,000 to the Anchorage School District for the purpose of district-wide repairs and renovations.

The sum of \$300,000 to the Nome School district for the purpose of district-wide repairs and renovations.

The sum of \$1,500,000 to the University of Alaska for the purpose of deferred maintenance.

The sum of \$200,000 to the Southern Region EMS for EMS equipment and facilities.

The sum of \$200,000 to the Southeast Region EMS for EMS equipment and facilities.

The sum of \$200,000 to the Interior Region EMS for EMS equipment and facilities.

BY: *Braun*

*Failed 4-7*

AMENDMENT *5*

Offered in the House

TO: 2d CS SB 136 (Fin) am (brf sup maj fld)

Department of Health & Social Services

Page 15, after line 12 add:

	Appropriation Items	General Fund
"Johnson Youth Center Treatment Unit Construction	3,000,000	3,000,000"

Brown

AMENDMENT 6

Failed

Offered in the House

TO: 2d CS SB 136 (Fin) am (brf sup maj fld)

Department of Fish and Game

Page 14, lines 26-30

DELETE:

	Appropriation Items	Other Funds
*Alaska Fur Market/Hunting Promotion - Video Development and Production and Trapper/ Hunter Education Material/ Newsletter	240,000	240,000*

Failed 3-8

Brown

AMENDMENT 7

Offered in the House

TO: 2d CS SB 136 (Fin) am (brf sup maj fld)

Office of the Governor

Page 15, line 8

	Appropriation Items	General Fund
Criminal Justice Information System Integration (ed 99)	<u>2,810,000</u> [966,678]	<u>2,810,000</u> [966,678]

~~Filled 5-5~~  
AMENDMENT 8

Brown  
~~rescind~~  
Adopted  
6-5

Offered in the House

TO: 2d CS SB 136 (Fin) am (brf sup maj fld)

Department of Transportation

Page 21, line 21

	Appropriation Items	Other Funds
Surface Transportation Program	<u>193,092,900</u> [199,092,900]	<u>189,092,900</u> [195,092,900]

Page 23, lines 7-8

DELETE:

[Denali Highway: MP 21-42  
Resurfacing (ed 99)]

Allocations

6,000,000]

*[Handwritten notes and scribbles]*

OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET  
DIVISION OF BUDGET REVIEW

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April 30, 1996

The Honorable Steve Frank  
The Honorable Rick Halford  
Co-Chairs, Senate Finance Committee  
State Capitol  
Juneau, AK 99801-1182

*Amendment # 9*

*adopted \* new sections*

*as amendm*

Dear Co-Chairs Frank and Halford:

As you continue your actions regarding the state's operating and capital budgets, please consider the attached areas requiring supplemental funding for FY96. Some of these items are new judgments that have been received since action was taken on the Governor's original supplemental bill. Others are being requested again because they were not included in the final version of HB468. The Corrections and Education requests are needed as a supplemental since the Legislative Budget and Audit Committee is not planning to meet until June. Additionally, I would like to bring to your attention our concern about disparity problems with the education foundation funding. The additional funds to resolve that issue for FY96 were not included in the final version of HB468. You may want to reconsider that funding in case SB244 does not become law.

Thank you for your consideration of these items.

Sincerely,

Nancy J. Siagle  
Director

cc Representative Mark Hanley  
Representative Richard Foster

## FY96 SUPPLEMENTALS

\*Sec. 1 DEPARTMENT OF ADMINISTRATION. The sum of \$95,000 is appropriated from general fund/program receipts to the Department of Administration, public defender agency, for increased operating costs for the fiscal year ending June 30, 1996.

\*Sec. 6 DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS. To pay for prior year revenue sharing costs for the native village of Kluti-Kaah, the following are amended to read:

(1) Section 47, ch. 94, SLA 1995, page 39, line 9:

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
Local Government Assistance	6,166,400 (6,174,700)	3,187,600 (3,195,900)	2,978,800

(2) Section 47, ch. 94, SLA 1995, page 39, line 5:

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
Municipal Revenue Sharing	\$8,239,000 (58,230,700)	\$8,239,000 (58,230,700)	

\*Sec.     DEPARTMENT OF CORRECTIONS. The sum of \$500,000 is appropriated from correctional industries receipts to the Department of Corrections to pay for raw materials and other related costs of the correctional industries program for the fiscal year ending June 30, 1996.

\*Sec.     DEPARTMENT OF EDUCATION. The sum of \$57,000 is appropriated from general fund program receipts to the Department of Education to pay additional costs of the state museum programs for the fiscal year ending June 30, 1996.

\*Sec.     DEPARTMENT OF LAW. (a) The sum of \$1,148,126 is appropriated from the general fund to the Department of Law to pay judgments and claims against the state for the fiscal year ending June 30, 1996.

NO ENCL. → (b) The sum of \$2,500,000 is appropriated from the general fund to the Department of Law to pay for the judgment in *Kerr v. State of Alaska*, DOC et. al (3AN-93-6531 C1) for the fiscal year ending June 30, 1996.

(c) Contingent upon the attorney general's notification to the revisor of statutes and the office of management and budget that no pending issues exist regarding the payment of attorney fees related to the *Native Village of Quinhagak, et. al. v. United States of America, et. al.* (AVJ-023 C1), the sum of \$150,000 is appropriated from the general fund to the Department of Law for payment to Alaska Legal Services in settlement of attorney fees and other costs for the fiscal year ending June 30, 1996.

\*Sec. 1 DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES. The sum of \$720,000 is appropriated from the general fund to the Department of Transportation and Public Facilities for Copper River Highway restoration and other costs required by the consent decree in *United States v. State of Alaska Department of Transportation and Public Facilities* (A92-24CIV). [THIS NEEDS TO BE IDENTIFIED AS CAPITAL]

\*Sec. 4. UNIVERSITY OF ALASKA. (a) The sum of \$864,657 is appropriated from the following fund sources to the University of Alaska to satisfy the monetary terms of the 1995 collective bargaining agreement between the University and the Alaska Classified Employees Association (CEA) for the fiscal years ending June 30, 1995 and 1996:

General fund receipts	\$ 852,095
Federal receipts	4,819
Dorm. Food, Aux Services	2,899
Student Fees	2,225
University receipts	2,619

(b) The sum of \$499,108 is appropriated from the following fund sources to the University of Alaska to satisfy the monetary terms of the collective bargaining agreement between the University and the Alaska Community College Federation of Teachers (ACCFT) for the fiscal years ending June 30, 1995 and 1996:

General fund receipts	\$ 466,207
Federal receipts	2,099
Student fees	26,302
University receipts	4,500

\*Sec.    . MISCELLANEOUS CLAIMS. The following amounts are appropriated from the general fund to the following departments to pay miscellaneous claims and staledated warrants for the fiscal year ending June 30, 1996:

DEPARTMENT	APPROPRIATION
Administration	1,624
Law	206

\*Sec.    . RATIFICATION. The departmental expenditure listed below which was made in fiscal year 1994 is ratified. The ratification will reverse the negative account balance in the Alaska State Accounting System in the amount listed for the AR number. The appropriation from which this expenditure was actually paid is amended by increasing it by the amount listed.

Public Safety			
(1)	AR46562-94	HSPA/Operations	\$1,100 00

adopted no OBJ

AMENDMENT

#10

by Rep. Kohring

To: 2d CSSB 136 (FIN) am(brf sup maj fld)

page 19, line 10

Low-Income Weatherization [~~6,500,000~~] 2,000,000

Fund Source

Corp. Repts. 6,500,000

Fed. Repts. 500,000

NO JOB  
AMENDMENT 11

OFFERED IN THE HOUSE

BY REPRESENTATIVE HANLEY

TO: ~~CSHS SUBTITLE~~ YL approp

1 Page 11, lines 2 - 4:

2 Delete all material and insert:

3 Fairbanks North Star Borough - Badger Flood Control 750,000 750,000  
4 and Drainage and Safe Water and Sewer "

5 Page 11, line 6:

6 Delete "The sum of \$25,000 is appropriated from the general fund"

7 Insert "The unexpended and unobligated balance, not to exceed \$25,000, of the  
8 appropriation made in sec. 21, ch. 79, SLA 1993, page 105, lines 29 - 31, as amended by (a)  
9 of this section (Badger flood control, drainage, and safe water and sewer project - \$750,000)  
10 is reappropriated"

11 Page 22, lines 4 - 11:

12 Delete all material

13 Page 24, lines 14 - 15:

14 Delete all material and insert:

15 Anchorage - Catholic Social Services - roof 170,000 170,000  
16 [YMICA POOL] renovation/replacement"

17 Page 24, line 17:

18 Delete "The sum of \$70,000 is appropriated from the general fund"

19 Insert "The unexpended and unobligated balance, not to exceed \$70,000, of the  
20 appropriation made in sec. 21, ch. 79, SLA 1993, page 58, lines 16 - 18, as amended by (a)  
21 of this section (Catholic Social Services roof renovation and replacement - \$170,000) is

1 reappropriated

*Rescinded*  
*Failed 5-6*  
*Adopted*  
*10-1*  
AMENDMENT #12

OFFERED IN THE HOUSE BY REPRESENTATIVE BROWN  
TO: 2nd CS SB 136(FIN) am (brf sup maj fld)

Department of Education

Page 8, line 24

	Approp. Items	General Fund
SLED (ed 99)	\$25,000	\$25,000

NO (UPJ)

Amendment # 13

BY: Foster

To: Amendment to SB136(FIN) AM (brf sup maj fld)

Delete section 5

Discussion:

This section has been accomplished through sec. 52 (a), (b), (c) and (d).

1 4 1 1

NO (OP)

Amendment # 14

BY: Foster  
(Requested by Rep. Ivan (39))

Amendment to SB136 (FIN) AM (brf sup maj fld)

Delete:

Section 19, page 45, lines 33 and 34

[Koliganek New Powerhouse Upgrading Distribution(ED 39)]	[25,000]	[33,500]
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Section 19, page 46, line 25	[25,000]	[25,000]
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Insert:

Section 19, page 46, line 25	<u>33,500</u>	<u>33,500</u>
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AMENDMENT

15

Adopt  
2/10/07

To 2d CSSB 136(FIN)

By

Kelly

Page 14, lines 17-18 Delete all material.

Adjust funding by agency information accordingly.

Failed

By Representative Martin

AMENDMENT 16

To: 2d CSSB 136 (FIN) am(brf sup maj fld)

page 8, line 6-8

Delete all material

**WHY THE LEGISLATURE ALWAYS HAS DESIGNATED GRANTS TO THE  
ALASKA CRAFTSMAN HOME PROGRAM AND  
ENERGY RATED HOMES OF ALASKA**

- Both programs are identified by state statute to be supported (AS 18.56.850)
- Both programs provide services to Alaskan consumers which are mandated by state statute Energy Rated Homes of Alaska - Thermal Standards Compliance AS 18.56.096 (7)(B) Alaska Craftsman Home Program - Residential Contractor Licensing AS 08.18.025 (b4)
- Both programs were specifically listed for funding by a citizens committee which developed the Stripper Well Plan until AHFC staff unilaterally removed them. Members of the committee included Senator Rick Halford and representatives of the Alaska State Homebuilders Association.
- Both programs were approved by DOE to receive funding under the Stripper Well plan
- Both programs have received line item appropriations by the Alaska Legislature since 1990
- Both programs are nationally recognized for their effective public/private partnerships
- Competitive bidding has not been standard procedure for AHFC awarding grants. Grants for significantly larger funding are not competitively bid by AHFC (Weatherization over \$10 million annually and Supplemental Development over \$10 million annually)
- It takes AHFC six months to issue a RFP and award a grant. This would mean a break in the delivery of these critical services that the Alaska housing industry depends on
- AHFC has promised to issue a RFP for the Energy Rated Homes of Alaska program since January. No RFP has been issued to date and the grant period ends on June 30, 1996. Instead AHFC has developed at great expense a new rating system to compete with the private sector.
- It is highly unlikely that AHFC would provide a fair review of any proposal from Energy Rated Homes of Alaska and the Alaska Craftsman Home Program. AHFC's executive director is on record that he would block any funding for ERIA and ACHP. In addition AHFC's head of energy programs is a member of an organization that would be ACHP's most likely competitor.

Adopted  
MULDER

AMENDMENT 17

OFFERED IN HOUSE FINANCE

TO: 2D CS FOR SENATE BILL NO. 136(FIN) am(brf sup maj fld)  
Version U

Page 8 following line 9

Insert the following:

" The source of these funds shall be federal Stripper Well Oil Overcharge funds appropriated to Alaska Housing Finance Corporation Projects in the Department of Revenue"

Page 20 line 8

Appropriation Items

Delete "3,000,000

Insert "600,000

Page 20

Delete lines 10 through 14

BY  
THERRIault

adopted  
AMENDMENT 18

PAGE 23, LN 7

ALLOCATION

DELETE

[6,000,000]

INSERT

5,500,000

INSERT NEW  
PROJECT

CHENA HOT SPRINGS ROAD 500,000  
REHAB. MP 7-22

AMENDMENT 19

Adopted  
no obj.

Add to Section 43

INSERT IN SUBSECTION C, PAGE 21, LINE 28 OF THE AMENDMENT AFTER 1995:

(national education effort for opening the Arctic National Wildlife Refuge - \$3,000,000)

NEW SUBSECTIONS

(f) The unexpended and unobligated balance of the appropriation made in sec. 47, ch. 94, SLA 1995, page 15, line 12 (Executive Operations - \$7,441,300), not appropriated by (a) and (b) of this section, lapses into the general fund on June 30, 1997.

(g) The unexpended and unobligated balance of the appropriation made in sec. 47, ch. 94, SLA 1995, page 15, line 22 (Governmental Coordination - \$4,737,900) lapses into the general fund June 30, 1997.

(h) The unexpended and unobligated balance of the appropriation made in sec. 47, ch. 94, SLA 1995, page 15, line 19 (Office of Management & Budget, Office of the Director - \$510,100) lapses into the general fund June 30, 1997.

(i) The unexpended and unobligated balance of the appropriation made in sec. 47, ch. 94, SLA 1995, page 15, line 20 (Office of Management & Budget, Division of Budget Review - \$1,040,800) lapses into the general fund June 30, 1997.

(j) The unexpended and unobligated balance of the appropriation made in sec. 47, ch. 94, SLA 1995, page 15, line 21 (Office of Management & Budget, Audit and Management Services - \$848,000), not appropriated elsewhere in this section, lapses into the general fund June 30, 1997.

DELETION

- \* 18
- ~~20~~
- \* 32 (D)
- \* 41
- \* 42
- 53
- \* 54
- ~~55~~
- \* 55
- \* 31
- \* 30
- \* 34

# AMENDMENT TO

## 2DCS SB 136 (FIN) AM (BRF SUP MAJ FLD)

- \* changes pg 4 ln 30
- \* removal of duplications within matched

- 36
- 37
- 38
- 39
- 40
- 43(E)
- 46

### INSERT NEW BILL SECTIONS:

4 \* Section 1. ED 1. (a) The unexpended and unobligated balances of the appropriations  
 5 made in sec. 21, ch. 79, SLA 1993, page 71, lines 28 - 30 (City of Saxman, community  
 6 residential center building purchase - \$300,000) and in sec. 154, ch. 5, FSSLA 1992, page 84,  
 7 line 9 (City of Saxman, water and fire service loop - \$95,000) are reappropriated to the  
 8 Department of Administration for payment as a grant under AS 37.05.315 to the City of  
 9 Saxman for water and sewer line upgrades on Eagle and Killer Whale Avenues.

10 (b) Section 10, ch. 4, FSSLA 1994, page 44, lines 35 - 36, is amended to read:

	APPROPRIATION	OTHER	
	ITEMS	FUNDS	
13	Hyder - <u>Fire truck and related equipment</u>	25,000	25,000
14	[CAMPGROUND DESIGN AND DEVELOPMENT] (ED 1)		

1 \* Sec. 2. ED 2. (a) The purpose of that portion of the appropriation made in sec. 14,  
 2 ch. 79, SLA 1993, and allocated under sec. 4(b), ch. 80, SLA 1993, to the account in the  
 3 municipal capital project matching grant fund that the Department of Administration holds in  
 4 custody for the City of Sitka under AS 37.06.010(b), which was awarded as grant number  
 5 94/674-1-002 by the Department of Administration (High School re-roof - \$146,566), is  
 6 amended to include Sitka High School roof repairs.

7 (b) The unexpended and unobligated balances of the appropriations made in sec. 165,  
 8 ch. 96, SLA 1991, page 90, line 10 (City and Borough of Sitka - Sheldon Jackson Museum  
 9 parking area and access road - \$150,000) and in sec. 154, ch. 5, FSSLA 1992, page 86, line  
 10 16 (Sitka Verstovia Street lot storm drainage - \$25,000) are reappropriated to the Department  
 11 of Administration for payment as a grant under AS 37.05.315 to the City and Borough of  
 12 Sitka for senior center repairs.

13 (c) Section 3, ch. 83, SLA 1993, page 4, line 16, is amended to read:

SCHOOL DISTRICT/REAA	PROJECT	ALLOCATION
14 Wrangell City Schools	15 Intermediate school drainage <u>and</u>	\$42,000
	16 <u>Wrangell High School hot water</u>	
	17 <u>tank replacement</u>	

18 \* Sec. 3. ED 5. (a) Section 21, ch. 79, SLA 1993, page 114, lines 33 - 34, is amended  
 19 to read:

	APPROPRIATION	GENERAL
	ITEMS	FUND
22 Elfin Cove <u>bulk fuel facility</u> (HYDROPOWER	20,000	20,000
23 ENGINEERING STUDY) (ED 5)		

24 (b) Section 10, ch. 4, FSSLA 1994, page 45, lines 10 - 11, is amended to read:

	APPROPRIATION	GENERAL
	ITEMS	FUND
27 Elfin Cove <u>bulk fuel facility</u> (HYDROELECTRIC	25,000	25,000
28 PROJECT) (ED 5)		

29 (c) Section 154, ch. 5, FSSLA 1992, page 84, line 15, is amended to read:

	APPROPRIATION	GENERAL
	ITEMS	FUND
31		

1 Coffman Cove municipal building (ARCHEOLOGICAL 40,000 40,000  
 2 SITE STUDY) (ED 2)

3 (d) Section 10, ch. 4, FSSLA 1994, page 34, lines 29 - 31, is amended to read:

4		APPROPRIATION	OTHER
5		ITEMS	FUNDS

6	Haines Borough - <u>Chilkat Center for the Arts</u>	36,200	36,200
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7 heating system replacement and foundation

8 repairs (AREAWIDE SCHOOLS UNDERGROUND

9 OIL TANK REPLACEMENTS) (ED 5)

10 \* Sec. 4. ED 6. (a) Section 135, ch. 103, SLA 1995, page 64, lines 23 - 24, is amended  
 11 to read:

12		APPROPRIATION	OTHER
13		ITEMS	FUNDS

14	Ouzinkie <u>generators purchase and installation</u>	25,000	25,000
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15 [POWERSTAT METERING INSTALLATION] (ED 6)

16 (b) The unexpended and unobligated balance of the appropriation made in sec. 61, ch.  
 17 96, SLA 1991 (Grant to Port Lions for Bay View Drive repairs) is reappropriated to the  
 18 Department of Administration for payment as a grant under AS 37.05.315 to the City of Port  
 19 Lions for equipment maintenance repairs.

20 \* Sec. 5. ED 7. (a) The unexpended and unobligated balance of the appropriation made  
 21 in sec. 19, ch. 79, SLA 1993, page 42, line 14, and allocated on page 43, lines 17 - 19  
 22 (Seldovia water and wastewater system - \$985,000) is reappropriated to the Department of  
 23 Administration for payment as a grant under AS 37.05.315 to the City of Seldovia for water  
 24 and wastewater system design and construction.

25 (b) The unexpended and unobligated balance of the appropriation made in sec. 21, ch.  
 26 79, SLA 1993, page 76, lines 36 - 37 (Seldovia vessel sewerage station installation -  
 27 \$100,000) is reappropriated to the Department of Administration for payment as a grant under  
 28 AS 37.05.315 to the City of Seldovia for a certified vessel sewage and cleanup station.

29 \* Sec. 6. ED 8. The unexpended and unobligated balance of the appropriation made in  
 30 sec. 135, ch. 103, SLA 1995, page 65, lines 7 - 9 (Seward purchase city office's computer  
 31 network and community electronic bulletin board - \$28,662) is reappropriated to the