

Change Record Detail With Description

Department of Revenue

Scenario: Alaska Resource Rebate Special Session (6835)

Component: Resource Rebate (2930)

RDU: Taxation and Treasury (510)

Title: Alaska Resource Rebate Program

	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
	IncOTI	800,000.0	170.0	0.0	591.2	58.8	30.0	799,150.0	0.0	0	0	5
1004 Gen Fund	800,000.0											

This increment creates a new program and budget component to be administered by the Department of Revenue that provides for a one-time resource rebate payment of \$1,200 for each eligible Alaskan. Eligible Alaskans under this program will include those Alaskans who applied for and have been deemed eligible for the 2008 permanent fund dividend, and those persons who apply for the program under a supplemental application, are physically present in Alaska, have resided in the state for the 180 days preceding the application period and meet the other eligibility criteria in the bill.

The actual number of persons eligible for the 2008 PFD will not be known until September but for the purposes of projecting the costs of administering this program we are assuming that 620,000 persons will be eligible for the 2008 PFD, and that 45,000 additional persons will qualify for the resource rebate program under the supplemental application process, for an estimated total of 665,000 persons.

Based on PFD program costs the direct cost of printing and mailing the checks will be approximately \$525,000 for issuing the payments and 1099 advices. We will not use the PFD payment system for this purpose but instead will contract with either the Division of Finance or a financial institution.

The cost of administering the supplemental application process is estimated at \$325,000. This includes printing and distribution of applications, programming costs for a new database to collect applicant information and personal services costs related to receiving applications, scanning and filing applications and related documents, determining eligibility, etc. Since this is a one-time program we will use existing equipment and bring in seasonal employees, non-permanent employees and contractors to accomplish this work.

Note that while we are using information from the PFD eligibility system, this project will be done outside of the PFD Division and every attempt will be made to minimize impacts on PFD processing.