

Indirect Expenditure Report



January 2017

Legislative Finance Division

www.legfin.akleg.gov

Introduction

HB 306 (Ch. 61, SLA 14) requires that the Department of Revenue (DOR) and Division of Legislative Finance prepare biennial reports to the legislature on indirect expenditures. AS 43.05.095 defines an indirect expenditure as an express provision of state law that results in foregone revenue for the state by providing:

1. a tax credit or other credit;
2. an exemption, but does not include federal tax exemptions adopted by reference in AS 43.20.021;
3. a discount;
4. a deduction, but does not include costs incurred in the ordinary course of business that are deducted in the calculation of a tax under this title or in the calculation of a royalty or net profit share payment for a lease issued under AS 38; or
5. a differential allowance.

The first DOR report, covering FY09-13, was released in July of 2014, and the Legislative Finance Report was released in January of 2015. The second DOR report was released in July of 2016, covering FY11-15.

The Legislative Finance Division's report builds on the DOR report and is due to the legislature on the first day of the 2017 legislative session. While DOR's report covers all agencies each biennium, AS 24.20.235 limits the Legislative Finance report to a few agencies each biennium.

For the 2017 report, Legislative Finance covered the following departments:

1. Administration;
2. Alaska Court System (Judiciary);
3. Education and Early Development, including the Alaska Student Loan Corporation and Alaska Commission on Postsecondary Education;
4. Environmental Conservation;
5. Natural Resources; and
6. Transportation.

In addition, HB 306 instituted a sunset cycle for existing tax credits. In 2018, the Education Tax Credit is set to sunset. This report includes updated data and a detailed recommendation for changes to that credit.

For the 2015 report Legislative Finance covered the following departments, which will be revisited in the 2021 report:

1. Commerce, Community and Economic Development;
2. Fish and Game;
3. Health and Social Services;
4. Labor and Workforce Development; and
5. Revenue.

Legislative Finance's 2019 report is set to cover all agencies not reviewed in 2015 or 2017. However, none of the remaining agencies have participated in the Indirect Expenditure reporting process up to this

point. Changes to HB 306 may be necessary to get these other agencies, such as the University of Alaska, to participate. Otherwise, Legislative Finance will not have any agencies to review in the 2019 report.

Per HB 306, this report includes:

1. an estimate of the revenue foregone by the state because of the indirect expenditure;
2. an estimate of the monetary benefit of the indirect expenditure to the recipients of the benefit of the indirect expenditure;
3. a determination of whether the legislative intent of the indirect expenditure is being met and, if necessary, a determination of why the legislative of the indirect expenditure is not being met;
4. a recommendation as to whether each indirect expenditure should be continued, modified, or terminated, and a basis for the recommendation;
5. the expected effect on the economy of the state if the recommendation is executed; and
6. an explanation of the methodology and assumptions used in preparing the report.

Methodology and Assumptions

The Division of Legislative Finance reviewed the Department of Revenue's report and created a spreadsheet that allows the provisions to be presented in several ways, such as sorted by recommendation or fiscal impact. This report is generated from that spreadsheet and includes the information prepared by both DOR and Legislative Finance.

For the "estimate of revenue foregone by the state," Legislative Finance assumed that the revenue foregone was equal to the estimated revenue impact reported by DOR for the most recent year in the report (FY15). It also assumed in most cases that the estimate of annual revenue to recipients equaled this amount divided by the number of recipients in that year (exceptions are noted). This is not necessarily an accurate depiction of the impact for each recipient, because the impact may be variable. However, it is the best estimate possible with the information available.

To determine whether legislative intent was being met, Legislative Finance based its answers on the legislative intent reported by DOR. Legislative Finance asked agencies for supplemental information when necessary to make a recommendation. In many cases, it is impossible to determine whether legislative intent is being met due to vague intent, inadequate information, or because the provision is too recent.

Legislative Finance did not make recommendations for any provisions authorized, modified, or considered since 2014 because it is too soon to judge the impact of the provisions. In cases where the provisions have not been revisited for many years, Legislative Finance recommended reconsideration of the provision even if it appeared to be meeting legislative intent because the original intent may no longer be valid. Other indirect expenditures were evaluated on a case-by-case basis.

For the expected impact on the economy of repealing or modifying credits, Legislative Finance assumed that it was the same as the amount of foregone revenue. For the most part, the recommendations would not result in a significant economic impact because there are few, if any, recommendations to repeal large tax credits.

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Department of Administration

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Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

\$10 fee waiver for government agencies

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Fee waiver for government agencies (a municipal, state or federal agency or judicial agency) requesting driver and vehicle records from DMV.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

2 AAC 92.200(d)

(4) Year Enacted

07/04/06

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Fee waiver for government agencies

(7) Public Purpose

Courtesy savings to government agencies

(8) Estimated Revenue Impact

FY 2011 - Not tracked.

FY 2012 - Not tracked.

FY 2013 - Not tracked.

FY 2014 - Not tracked.

FY 2015 - Not tracked.

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Any municipalities, state agencies or federal agencies who apply in the State of Alaska

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

Unknown/ not tracked by DOA

(2) Estimate of Annual Monetary Benefit to Recipients

Unknown/ not tracked by DOA

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Continue as part of normal service provided by DMV to other government entities.

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Anatomical Gift Awareness Fund (Organ Donor Registration)

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

DMV provided an in-kind benefit to a non-profit organization by hosting a database on a state-owned server. Effective FY2014, DMV no longer hosts the program information for Life Alaska Donor Services on their server.

(2) Type

N/A

(3) Authorizing Statute, Regulation or Other Authority

AS 13.50.160

(4) Year Enacted

2009

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Fund established for the collection of donations pertaining to anatomical gift awareness

(7) Public Purpose

Public Service

(8) Estimated Revenue Impact

FY 2011 - \$6,552

FY 2012 - \$11,805

FY 2013 - \$8,484

FY 2014 - \$0

FY 2015 - \$0

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

1

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

(3) Legislative Intent Met?

Yes

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Anatomical Gift Awareness Fund (Organ Donor Registration)

Legislative Finance Analysis per AS 24.20.235**(4) Should it be continued, modified or terminated?**

Legislative Finance recommends that this item be deleted from future Indirect Expenditure Reports. Prior to FY14, DMV hosted the organ donor registry on its server; but this was never a tax credit, an exemption, a discount or a deduction in the normal course of business. (Life Alaska Donor Services, a non-profit organization associated with the American Association of Tissue Banks, coordinates registration through MyAlaska online.)

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for amateur radio users

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Waives \$100 registration fee for certain amateur radio users with an amateur mobile radio license issued by the Federal Communications Commission (FCC).

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 28.10.421, AS 28.10.181(i)

(4) Year Enacted

1978

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Allows the registration of an amateur mobile radio station vehicle for each radio license issued by the FCC.

(7) Public Purpose

Public Service Determined in AS 28.10.421(d)(8)

(8) Estimated Revenue Impact

FY 2011 - \$17,400

FY 2012 - \$16,600

FY 2013 - \$8,600

FY 2014 - \$4,400

FY 2015 - \$4,400

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

44

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$4,400

(2) Estimate of Annual Monetary Benefit to Recipients

\$100

(3) Legislative Intent Met?

Yes

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for amateur radio users

Legislative Finance Analysis per AS 24.20.235**(4) Should it be continued, modified or terminated?**

Continue exemption, which is based on the potential public service provided by a vehicle equipped with a radio.

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for disabled persons

Department of Revenue Submission per AS 43.05.095
(1) Description of Provision

Waives \$100 registration fee for disabled persons. Must be medically certified as disabled.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 28.10.421, AS 28.10.181

(4) Year Enacted

2002

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Allow disabled persons to be issued a plate that does not have the international symbol of accessibility and which they are qualified for under AS 28.10.181.

(7) Public Purpose

Public Service

(8) Estimated Revenue Impact

FY 2011 - \$409,850

FY 2012 - \$417,150

FY 2013 - \$366,950

FY 2014 - \$301,650

FY 2015 - \$301,650

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

3,016

Legislative Finance Analysis per AS 24.20.235
(1) Estimate of Annual Revenue Foregone by the State

\$301,650

(2) Estimate of Annual Monetary Benefit to Recipients

\$100

(3) Legislative Intent Met?

Yes

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for disabled persons

Legislative Finance Analysis per AS 24.20.235**(4) Should it be continued, modified or terminated?**

Continue exemption in order to avoid the proliferation of "limited accessibility" plates.

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for disabled veterans

Department of Revenue Submission per AS 43.05.095**(1) Description of Provision**

Waives \$100 registration fee for disabled veterans. Military certification form required to qualify.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 28.10.421, AS 28.10.181

(4) Year Enacted

2002

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Create a distinctive plate so disabled veterans can be recognized and stand out.

(7) Public Purpose

Public Service

(8) Estimated Revenue Impact

FY 2011 - \$174,900

FY 2012 - \$195,950

FY 2013 - \$204,000

FY 2014 - \$193,900

FY 2015 - \$193,900

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

1,939

Legislative Finance Analysis per AS 24.20.235**(1) Estimate of Annual Revenue Foregone by the State**

\$193,900

(2) Estimate of Annual Monetary Benefit to Recipients

\$100

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Continue exemption - rewards service to the United States.

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for Gold Star Family

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Waives \$100 registration fee for survivors of those killed in the line of duty.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 28.10.421, AS 28.10.181(l)

(4) Year Enacted

2007

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Allows relatives of members of the United States Armed Forces that were killed in the line of duty to receive a waived registration fee and gold star license plate.

(7) Public Purpose

Public Service

(8) Estimated Revenue Impact

FY 2011 - \$2,350

FY 2012 - \$2,750

FY 2013 - \$200

FY 2014 - \$3,600

FY 2015 - \$3,600

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

2

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$200

(2) Estimate of Annual Monetary Benefit to Recipients

\$100

(3) Legislative Intent Met?

Yes

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for Gold Star Family

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Continue exemption - cost is insignificant and the waiver honors those families who have lost a family member in service to the United States.

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for municipal governments and charitable organizations

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Reduces vehicle registration fees from \$100 to \$10 for vehicles owned by municipal governments, charitable or non-profit organizations, church/religious organizations, and Alaska Tribal Village Councils.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

AS 28.10.421(d), AS 28.10.181(a), AS 28.10.181(e), 2 AAC 92.140

(4) Year Enacted

1978

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Allows municipalities, charitable, non-profits, and church/religious organizations to get a discounted rate on vehicle registrations. Alaska Native Tribal Village Councils are also eligible.

(7) Public Purpose

Courtesy savings to government and non-profit organizations

(8) Estimated Revenue Impact

FY 2011 - \$472,455

FY 2012 - \$486,270

FY 2013 - \$504,765

FY 2014 - \$498,915

FY 2015 - \$498,915

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

5,543

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$498,915

(2) Estimate of Annual Monetary Benefit to Recipients

\$90

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for municipal governments and charitable organizations

Legislative Finance Analysis per AS 24.20.235**(3) Legislative Intent Met?**

Yes

(4) Should it be Continued, Modified or Terminated?

Modify discount -- Recommend review and modification of the discount rate (initially enacted in 1978). The legislature included Intent in the FY17 Motor Vehicles budget to increase revenue through improved efficiencies and to increase the amount of dollars deposited into the General Fund. A 90% reduction (from \$100 to \$10) may no longer be desirable with 5,543 beneficiaries.

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for Pearl Harbor survivors

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Waives \$100 registration fee for Pearl Harbor survivors.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 28.10.421, AS 28.10.181(l)

(4) Year Enacted

1988

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Allows individuals who were on active duty in Pearl Harbor on December 7, 1941 to register one non-commercial vehicle. (based on submission of Military Form DD214)

(7) Public Purpose

Public Service

(8) Estimated Revenue Impact

FY 2011 - \$350

FY 2012 - \$200

FY 2013 - \$100

FY 2014 - \$0

FY 2015 - \$100

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

1

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$100

(2) Estimate of Annual Monetary Benefit to Recipients

\$100

(3) Legislative Intent Met?

Yes

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for Pearl Harbor survivors

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Continue exemption; although any beneficiaries would also be encompassed by the senior citizen exemption (AS 28.10.411(f)).

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for Prisoners of War

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Waives \$100 registration fee for Prisoners of War.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 28.10.421, AS 28.10.181(l)

(4) Year Enacted

1984

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Allows individuals who were Prisoners of War to register one non-commercial vehicle. (based on submission of Military Form DD214)

(7) Public Purpose

Public Service

(8) Estimated Revenue Impact

FY 2011 - \$500

FY 2012 - \$350

FY 2013 - \$200

FY 2014 - \$0

FY 2015 - \$0

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

0

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

(3) Legislative Intent Met?

Yes

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for Prisoners of War

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Continue exemption - cost is zero.

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for Purple Heart recipients

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Waives \$100 registration fee for Purple Heart recipients.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 28.10.421, AS 28.10.181(q)

(4) Year Enacted

1989

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Allows Purple Heart recipients to register one non-commercial vehicle. (based on submission of Military Form DD214)

(7) Public Purpose

Public Service

(8) Estimated Revenue Impact

FY 2011 - \$33,800

FY 2012 - \$39,000

FY 2013 - \$34,200

FY 2014 - \$32,900

FY 2015 - \$32,900

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

329

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$32,900

(2) Estimate of Annual Monetary Benefit to Recipients

\$100

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Continue exemption - rewards service to the United States.

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for senior citizens

Department of Revenue Submission per AS 43.05.095
(1) Description of Provision

Waives \$100 registration fee for persons 65 years of age or older.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 28.10.411 (f)

(4) Year Enacted

1978

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Allows individuals who are 65 years of age or older (on January 1st of the year the vehicle is registered) to one exemption

(7) Public Purpose

Public Service

(8) Estimated Revenue Impact

FY 2011 - \$317,100

FY 2012 - \$317,100

FY 2013 - \$302,700

FY 2014 - \$662,900

FY 2015 - \$662,900

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

6,629

Legislative Finance Analysis per AS 24.20.235
(1) Estimate of Annual Revenue Foregone by the State

\$662,900

(2) Estimate of Annual Monetary Benefit to Recipients

\$100

(3) Legislative Intent Met?

Yes

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for senior citizens

Legislative Finance Analysis per AS 24.20.235**(4) Should it be continued, modified or terminated?**

Continue exemption -- but recommend review of minimum age for consistency across DMV-related statutes.

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Motor vehicle license plates and registrations fees for state owned vehicles

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Waives \$100 registration fee for state owned vehicles

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 28.10.421(d)(4)

(4) Year Enacted

Prior to 1993

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Eliminates Interagency Transfers between state agencies

(7) Public Purpose

Courtesy savings to state agencies

(8) Estimated Revenue Impact

FY 2011 - \$57,900

FY 2012 - \$55,450

FY 2013 - \$38,050

FY 2014 - \$27,500

FY 2015 - \$27,500

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

275

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$27,500

(2) Estimate of Annual Monetary Benefit to Recipients

\$100

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Continue exemption.

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Permanent registration for eight- year-old vehicles in unorganized boroughs or communities that elect to allow this service.

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Allows permanent registration for vehicles eight years or older in unorganized boroughs or in communities that have passed an ordinance to allow permanent registration.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 28.10.155

(4) Year Enacted

2015

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Matches unorganized borough/community ordinances

(7) Public Purpose

Public Service

(8) Estimated Revenue Impact

FY 2011 - Not in effect

FY 2012 - Not in effect

FY 2013 - Not in effect

FY 2014 - Not in effect

FY 2015 - \$0

Revenue loss will not be realized until the two-year registration period comes due on the vehicles that are permanently registered. The program began on January 1, 2015. Revenue loss will start being calculated on January 30, 2017.

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

0

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

Administration

Applicable Program

Division of Motor Vehicles

Indirect Expenditure Name

Permanent registration for eight- year-old vehicles in unorganized boroughs or communities that elect to allow this service.

Legislative Finance Analysis per AS 24.20.235

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Continue -- as noted by the Department, revenue loss will not be realized until the two-year registration period comes due on the vehicles that are permanently registered. The program began on 1/1/15 and calculations of revenue loss will be begin on 1/30/17.

Administration

Applicable Program
Division of Motor Vehicles

Indirect Expenditure Name
State identification cards for senior citizens

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Waives \$15 identification card fee for applicants who are 60 years or older. Identification cards are valid for five years.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 18.65.310(g)

(4) Year Enacted

1973

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Allows residents over 60 years of age to receive a free state identification card.

(7) Public Purpose

Public Service

(8) Estimated Revenue Impact

FY 2011 - \$161,265

FY 2012 - \$132,930

FY 2013 - \$137,325

FY 2014 - \$168,525

FY 2015 - \$207,630

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

13,842

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$207,630

(2) Estimate of Annual Monetary Benefit to Recipients

\$15

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Continue exemption -- but recommend review of minimum age for consistency across DMV-related statutes.

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**Department of
Education and Early
Development, Alaska Student
Loan Corp, Alaska Commission
on Postsecondary Education**

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Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

Alaska Student Loan Program

Indirect Expenditure Name

Credit: education loan forgiveness- Alaska Student Loan (ASL) Program

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Under certain conditions up to 50% of a borrower's obligation to repay loan principal and interest is discharged.

(2) Type

Credit

(3) Authorizing Statute, Regulation or Other Authority

AS 14.43.120(j)

(4) Year Enacted

1971

(5) Sunset or Repeal Date

Repealed 1987

(6) Legislative Intent

Provide incentive for college students to return to or remain in Alaska.

(7) Public Purpose

Encourage Alaska residents to complete postsecondary education and reside in Alaska thereafter.

(8) Estimated Revenue Impact

FY 2011 - \$2,335

FY 2012 - \$11,613

FY 2013 - \$275

FY 2014 - \$0

FY 2015 - \$340

(9) Cost to Administer

Automated; minimal manual intervention

(10) Number of Beneficiaries / Who Benefits

Varies. There are currently fewer than 200 ASL borrowers with outstanding loans containing forgiveness provisions.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$340

(2) Estimate of Annual Monetary Benefit to Recipients

\$2

(3) Legislative Intent Met?

Yes

2.1

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

Alaska Student Loan Program

Indirect Expenditure Name

Credit: education loan forgiveness- Alaska Student Loan (ASL) Program

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

N/A - program was terminated in 1987, so remaining cost is due to legacy impact.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program
Institutional Authorization

Indirect Expenditure Name
Exemption from authorization

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Out-of-state postsecondary institutions offering distance education to Alaska students are exempt from authorization. Fee to institution for authorization is \$2,500; fee for exemption is \$100.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 14.48.030

(4) Year Enacted

1976

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Ensure no disincentive for institutions to enroll Alaska students.

(7) Public Purpose

Maximize higher education options for Alaska students.

(8) Estimated Revenue Impact

FY 2011 - NA

FY 2012 - NA

FY 2013 - \$285,000

FY 2014 - \$250,000

FY 2015 - \$300,000

Note: Estimate 100 institutions would seek authorization if required which assumes 25% of current 400 exempt distance ed providers would seek authorization if required.

(9) Cost to Administer

Estimated at \$20,000 annually, based on percent of staff processing time.

(10) Number of Beneficiaries / Who Benefits

Four hundred out-of-state colleges and universities offering distance education to Alaskans. All Alaska students using distance education. No data on how many students are participating.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$300,000

(2) Estimate of Annual Monetary Benefit to Recipients

\$2,400

2.2

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program
Institutional Authorization

Indirect Expenditure Name
Exemption from authorization

Legislative Finance Analysis per AS 24.20.235

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend continuation based on meeting legislative intent.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program
Multiple Education Loan Programs

Indirect Expenditure Name
Interest deduction

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Alaska Student Loan Corporation (ASLC) annually approves a discount of some percent value to be provided to borrowers who meet specific criteria.

(2) Type

Deduction

(3) Authorizing Statute, Regulation or Other Authority

AS 14.42.200-.210

(4) Year Enacted

2001

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Provide lowest possible costs of education loans to Alaska students.

(7) Public Purpose

Lower education loan costs to borrowers.

(8) Estimated Revenue Impact

FY 2011 - \$1,068,046

FY 2012 - \$1,072,285

FY 2013 - \$1,102,193

FY 2014 - \$1,013,492

FY 2015 - \$968,722

(9) Cost to Administer

Automated; minimal manual intervention

(10) Number of Beneficiaries / Who Benefits

Eligible borrowers. At 6/30/2015 there were approximately 14,700 borrowers with outstanding loans who could be eligible for a benefit in any given year.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$968,722

(2) Estimate of Annual Monetary Benefit to Recipients

\$66

(3) Legislative Intent Met?

Yes

2.3

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

Multiple Education Loan Programs

Indirect Expenditure Name

Interest deduction

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation based on meeting legislative intent. Currently, ASLC provides a 0.5% discount for Alaska presence for certain loans, and a 0.25% discount for automatic payment.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Discount for closing time admission

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Half-price discount on admission fee near closing time.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

4 AAC 58.010(c); AS 14.57.010(c)

(4) Year Enacted

2010

(5) Sunset or Repeal Date

None

(6) Legislative Intent

N/A

(7) Public Purpose

In the public interest

(8) Estimated Revenue Impact

FY 2011 - \$563

FY 2012 - \$1,110

FY 2013 - \$672

FY 2014 - \$0

FY 2015 - \$0

Note: The Alaska State Museum closed in FY2014 for the construction of the new facility, and remained closed through FY2015 and most of FY2016.

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Varies. There were 0 half-price discounts in FY15.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

(3) Legislative Intent Met?

N/A

2.4

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Discount for closing time admission

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation - this is a reasonable discount for the department to maintain.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Discounts for special events

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Special events - adults, youth, families.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

4 AAC 58.010(c); AS 14.57.010(c)

(4) Year Enacted

1987

(5) Sunset or Repeal Date

None

(6) Legislative Intent

N/A

(7) Public Purpose

In the public interest

(8) Estimated Revenue Impact

FY 2011 - \$30,148

FY 2012 - \$41,725

FY 2013 - \$39,362

FY 2014 - \$4,667

FY 2015 - \$4,040

Note: The Alaska State Museum closed in FY2014 for the construction of the new facility, and remained closed through FY2015 and most of FY2016.

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Varies. There were 926 visitors for special events in FY15.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$4,040

(2) Estimate of Annual Monetary Benefit to Recipients

\$4

(3) Legislative Intent Met?

N/A

2.5

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Discounts for special events

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation - this is a reasonable discount for the department to maintain.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Free admission for military

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Blue Star Military discount//Free admission to active military and their immediate families.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

National Program; AS 14.57.010(c)

(4) Year Enacted

2010

(5) Sunset or Repeal Date

None

(6) Legislative Intent

N/A

(7) Public Purpose

Federal program to benefit those serving our country in the military.

(8) Estimated Revenue Impact

FY 2011 - \$460

FY 2012 - \$1,344

FY 2013 - \$812

FY 2014 - \$30

FY 2015 - \$30

Note: The Alaska State Museum closed in FY2014 for the construction of the new facility, and remained closed through FY2015 and most of FY2016.

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Varies. There were 6 military discounts in FY15.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$30

(2) Estimate of Annual Monetary Benefit to Recipients

\$5

(3) Legislative Intent Met?

N/A

2.6

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Free admission for military

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation - this is a reasonable discount for the department to maintain.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Free admission for students

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Entry Fee waived for those 18 years or younger.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

4 AAC 58.010(a); AS 14.57.010(c)

(4) Year Enacted

1987

(5) Sunset or Repeal Date

None

(6) Legislative Intent

N/A

(7) Public Purpose

Student Discount

(8) Estimated Revenue Impact

FY 2011 - \$35,066

FY 2012 - \$44,348

FY 2013 - \$42,609

FY 2014 - \$5,647

FY 2015 - \$6,030

Note: The Alaska State Museum closed in FY2014 for the construction of the new facility, and remained closed through FY2015 and most of FY2016.

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Varies. There were 1,468 student discounts in FY15.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$6,030

(2) Estimate of Annual Monetary Benefit to Recipients

\$4

(3) Legislative Intent Met?

N/A

2.7

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Free admission for students

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation - this is a reasonable discount for the department to maintain.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Senior citizen discount

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Entry Fee//Senior Discount - \$1.00 off for those 65 years or older.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

4 AAC 58.010(a); AS 14.57.010(c)

(4) Year Enacted

2012

(5) Sunset or Repeal Date

None

(6) Legislative Intent

N/A

(7) Public Purpose

Senior Citizen Discount

(8) Estimated Revenue Impact

FY 2011 - Not in effect until FY 2012

FY 2012 - \$3,762

FY 2013 - \$9,601

FY 2014 - \$1,929

FY 2015 - \$2,079

Note: The Alaska State Museum closed in FY2014 for the construction of the new facility, and remained closed through FY2015 and most of FY2016.

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Varies. There were 2,079 senior discounts in FY15.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$2,079

(2) Estimate of Annual Monetary Benefit to Recipients

\$1

(3) Legislative Intent Met?

N/A

2.8

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Senior citizen discount

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation - this is a reasonable discount for the department to maintain.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Tour company discount

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Discount on entry fee for tour company visitors according the schedule at the bottom of this sheet:

# of Visitors	ASM // SJM Discount
1-500	2.00 // 1.00
501-2,500	2.25 // 1.25
2,501-5,000	2.75 // 1.75
7,501-10,000	3.00 // 2.00
Over 10,000	3.50 // N/A

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

Letters of Agreement; AS 14.57.010(c)

(4) Year Enacted

Prior to 1999

(5) Sunset or Repeal Date

None

(6) Legislative Intent

N/A

(7) Public Purpose

Net benefit to the museum as it draws visitors that may not have visited the museum otherwise.

(8) Estimated Revenue Impact

FY 2011 - \$14,004

FY 2012 - \$21,222

FY 2013 - \$38,952

FY 2014 - \$31,937

FY 2015 - \$7,419

Note: The Alaska State Museum closed in FY2014 for the construction of the new facility, and remained closed through FY2015 and most of FY2016.

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Varies. 3 tour operators brought 4,763 visitors in FY15.

Legislative Finance Analysis per AS 24.20.235

2.9

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

State Museum, Sheldon Jackson Museum

Indirect Expenditure Name

Tour company discount

Legislative Finance Analysis per AS 24.20.235

(10) Number of Beneficiaries / Who Benefits (cont.)

(1) Estimate of Annual Revenue Foregone by the State

\$7,419

(2) Estimate of Annual Monetary Benefit to Recipients

\$2

(3) Legislative Intent Met?

N/A

(4) Should it be Continued, Modified or Terminated?

Recommend continuation. This discount likely brings in additional revenue.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program
Teacher Education Loan (TEL)

Indirect Expenditure Name
Education loan forgiveness

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Under certain conditions 100% of a borrower's obligation to repay loan principal and interest is discharged.

(2) Type

Credit

(3) Authorizing Statute, Regulation or Other Authority

AS 14.43.600-.700

(4) Year Enacted

1984

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Develop rural residents as teachers for rural Alaska.

(7) Public Purpose

Encourage Alaska high school graduates to become elementary/secondary educators and teach in rural Alaska communities.

(8) Estimated Revenue Impact

FY 2011 - \$265,914

FY 2012 - \$132,150

FY 2013 - \$97,018

FY 2014 - \$159,676

FY 2015 - \$67,094

Forgiveness eligible loans to new program participants are no longer being made effective with FY2015.

(9) Cost to Administer

Automated; minimal manual intervention

(10) Number of Beneficiaries / Who Benefits

Borrowers of Teacher Education Loans. At 6/30/2015 there were 410 borrowers with outstanding TEL loans.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$67,094

(2) Estimate of Annual Monetary Benefit to Recipients

\$164

(3) Legislative Intent Met?

Yes

2.10

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

Teacher Education Loan (TEL)

Indirect Expenditure Name

Education loan forgiveness

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

N/A - program was terminated in 2015, so remaining cost is due to legacy impact.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

Winn Brindle Memorial Education Program
(WB)

Indirect Expenditure Name

Credit: Education loan forgiveness- Winn
Brindle Memorial Education Program

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Under certain conditions 50% of a borrower's obligation to repay loan principal is discharged.

(2) Type

Credit

(3) Authorizing Statute, Regulation or Other Authority

AS 14.43.250-.325

(4) Year Enacted

1986

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Attract students to careers supporting Alaska fisheries.

(7) Public Purpose

Encourage Alaska high school graduates to be trained in some fisheries-related occupation and be employed in that occupation in Alaska.

(8) Estimated Revenue Impact

FY 2011 - \$105,613

FY 2012 - \$71,260

FY 2013 - \$60,053

FY 2014 - Amount Reported in DOR section

FY 2015 - Amount Reported in DOR section

Revenue that the state forgoes is the tax credit provided by the Department of Revenue. Once a donation is made to the WB Memorial Education loan account, loans are made to qualifying borrowers. Any activity related to those loans (such as forgiveness or interest subsidizes) impact the WB Memorial Education loan account.

(9) Cost to Administer

Automated; minimal manual intervention.

(10) Number of Beneficiaries / Who Benefits

Varies. There are currently 164 borrowers with outstanding WB loans.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

N/A

2.11 **Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education**

Applicable Program

Winn Brindle Memorial Education Program (WB)

Indirect Expenditure Name

Credit: Education loan forgiveness- Winn Brindle Memorial Education Program

Legislative Finance Analysis per AS 24.20.235

(2) Estimate of Annual Benefit to Recipients (cont.)

N/A

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend that this be removed from the Department of Education section - it appears to double-count foregone revenue already reported in the Department of Revenue section.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

WWAMI Graduate Medical Education Program

Indirect Expenditure Name

Financial support

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

The financial support to be repaid is equal to 50% of amount paid for program and its participants.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

AS 14.43.510

(4) Year Enacted

2007

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Support Alaskans' medical training and reward practice in Alaska.

(7) Public Purpose

(8) Estimated Revenue Impact

FY 2011 - \$1,622,013

FY 2012 - \$1,638,596

FY 2013 - \$1,589,307

FY 2014 - \$1,578,552

FY 2015 - \$1,581,258

(9) Cost to Administer

Automated; minimal manual intervention.

(10) Number of Beneficiaries / Who Benefits

Participants of the program. At 6/30/2015 there were 183 participants with outstanding WWAMI loans.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$1,581,258

(2) Estimate of Annual Monetary Benefit to Recipients

\$8,641

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend the rate be re-evaluated. The next item discharges the remainder of the loan based on participants returning to Alaska. There may be merit in providing a stronger incentive to return to the state by increasing the

2.12

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

WWAMI Graduate Medical Education Program

Indirect Expenditure Name

Financial support

Legislative Finance Analysis per AS 24.20.235

(4) Should it be Continued, Modified or Terminated? (cont.)

amount of the loan that must be repaid by participants who do not return.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

WWAMI Graduate Medical Education Program

Indirect Expenditure Name

Loan forgiveness

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Under certain conditions 100% of a WWAMI participant's obligation to repay 50% of financial support provided by the state is discharged.

(2) Type

Credit

(3) Authorizing Statute, Regulation or Other Authority

AS 14.43.510

(4) Year Enacted

2007

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Support Alaskans' medical training and reward practice in Alaska.

(7) Public Purpose

Encourage Alaskan WWAMI participants to return to or remain in Alaska to practice in their medical field.

(8) Estimated Revenue Impact

FY 2011 - \$145,515

FY 2012 - \$292,725

FY 2013 - \$336,403

FY 2014 - \$530,089

FY 2015 - \$529,876

(9) Cost to Administer

Automated; minimal manual intervention.

(10) Number of Beneficiaries / Who Benefits

Participants of the program who return to Alaska to practice. At 6/30/2015 there were 183 participants with outstanding WWAMI loans.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$529,876

(2) Estimate of Annual Monetary Benefit to Recipients

\$2,896

(3) Legislative Intent Met?

Yes

2.13

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

WWAMI Graduate Medical Education Program

Indirect Expenditure Name

Loan forgiveness

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation based on meeting legislative intent.

Education and Early Development, Alaska Student Loan Corp, Alaska Commission on Postsecondary Education

Applicable Program

WWAMI Graduate Medical Education Program

Indirect Expenditure Name

Subsidized Interest Period

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Interest is not charged to the participant while pursuing their education in the medical education program

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 14.43.510

(4) Year Enacted

2007

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Support Alaskans' medical training and reward practice in Alaska.

(7) Public Purpose

(8) Estimated Revenue Impact

FY 2011 - \$177,962

FY 2012 - \$569,331

FY 2013 - \$383,575

FY 2014 - \$310,659

FY 2015 - \$296,782

(9) Cost to Administer

Automated; minimal manual intervention.

(10) Number of Beneficiaries / Who Benefits

40 Program participants

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$296,782

(2) Estimate of Annual Monetary Benefit to Recipients

\$7,420

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend continuation based on meeting legislative intent.

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Department of Environmental Conservation

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Environmental Conservation

Applicable Program

Food Safety & Sanitation

Indirect Expenditure Name

50% discount on annual permit fees for non-profit organizations

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Entities receiving this benefit are non-profit organizations.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 31.050(r)

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

In order to comply with existing state statutes or regulations.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$7,200

FY 2012 - \$7,200

FY 2013 - \$7,200

FY 2014 - \$7,200

FY 2015 - \$7,200

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

501(c)(4), (c)(10), or (c)(19) tax exempt organizations: 58 facilities

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$7,200

(2) Estimate of Annual Monetary Benefit to Recipients

\$124

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend continuation based on meeting legislative intent.

Environmental Conservation

Applicable Program

Food Safety & Sanitation

Indirect Expenditure Name

50% discount on annual permit fees for start-up businesses

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

This allows a small pro-ration of fees for facilities that commence business in the last two months of the billing year.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 31.050(u)

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

To prevent unfair penalties for businesses based on start-up period.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$8,800

FY 2012 - \$8,800

FY 2013 - \$8,800

FY 2014 - \$8,800

FY 2015 - \$8,800

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

New establishments: 48 facilities

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$8,800

(2) Estimate of Annual Monetary Benefit to Recipients

\$183

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend continuation based on meeting legislative intent.

Environmental Conservation

Applicable Program
Food Safety & Sanitation

Indirect Expenditure Name
Inspection fee exemption for body art facility operators

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

DEC does not have authority to charge fees even though the Department performs the inspections. Cost for inspections is reimbursed through an RSA with DCCED.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 23

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

In order to comply with existing state statutes or regulations.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - *

FY 2012 - *

FY 2013 - *

FY 2014 - *

FY 2015 - *

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Body art facility operators: 71 facilities

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

Unknown

(2) Estimate of Annual Monetary Benefit to Recipients

Unknown

(3) Legislative Intent Met?

Unknown

Environmental Conservation

Applicable Program
Food Safety & Sanitation

Indirect Expenditure Name
Inspection fee exemption for body art facility operators

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend removal from this report. The cost of inspections is reimbursed by DCCED through the cost of licensing, so no revenue is foregone.

Environmental Conservation

Applicable Program
Food Safety & Sanitation

Indirect Expenditure Name
Inspection fee exemption for non-profit entities

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

It is a benefit to tax-exempt entities to not have a fee for fundraisers for their organizations, as a fee would reduce the funds raised.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 31.050(p)(1)

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

In order to streamline the efficiency and increase compliance within the permitting process

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$90,300

FY 2012 - \$90,300

FY 2013 - \$90,300

FY 2014 - \$90,300

FY 2015 - \$90,300

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

501(c)(3) tax exempt organizations: 283 facilities

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$90,300

(2) Estimate of Annual Monetary Benefit to Recipients

\$319

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend continuation based on meeting legislative intent.

Environmental Conservation

Applicable Program

Food Safety & Sanitation

Indirect Expenditure Name

Inspection fee exemption for schools and Head Start programs

Department of Revenue Submission per AS 43.05.095**(1) Description of Provision**

By statute, the program cannot charge these facilities a fee.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 31.050(p)(2)/ AS 44.46.025(d)

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

In order to comply with existing state statutes or regulations.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$159,600

FY 2012 - \$159,600

FY 2013 - \$159,600

FY 2014 - \$159,600

FY 2015 - \$159,600

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Schools and Head Start Programs: 408 facilities

Legislative Finance Analysis per AS 24.20.235**(1) Estimate of Annual Revenue Foregone by the State**

\$159,600

(2) Estimate of Annual Monetary Benefit to Recipients

\$391

(3) Legislative Intent Met?

Unknown

(4) Should it be Continued, Modified or Terminated?

Recommend continuation; while legislative intent provided by the agency is unclear, it is reasonable to exempt

Environmental Conservation

Applicable Program

Food Safety & Sanitation

Indirect Expenditure Name

Inspection fee exemption for schools and Head Start programs

Legislative Finance Analysis per AS 24.20.235

(4) Should it be Continued, Modified or Terminated? (cont.)

schools from fees.

Environmental Conservation

Applicable Program

Food Safety & Sanitation

Indirect Expenditure Name

Inspection fee exemption for school clubs

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

By statute, the program cannot charge these facilities a fee.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 31.050(t)/ AS 44.46.025(d)

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

In order to comply with existing state statutes or regulations.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$4,600

FY 2012 - \$4,600

FY 2013 - \$4,600

FY 2014 - \$4,600

FY 2015 - \$4,600

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

School, class, or school club: 33 facilities

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$4,600

(2) Estimate of Annual Monetary Benefit to Recipients

\$139

(3) Legislative Intent Met?

Unknown

(4) Should it be Continued, Modified or Terminated?

Recommend continuation; while legislative intent provided by the agency is unclear, it is reasonable to exempt schools from fees.

Environmental Conservation

Applicable Program
Food Safety & Sanitation

Indirect Expenditure Name
Inspection fee exemption for pool and spa operators

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Facilities are inspected on an annual basis. No permit is issued, so no fee is charged.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 30 / AS 44.46.020

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

Not provided.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - *

FY 2012 - *

FY 2013 - *

FY 2014 - *

FY 2015 - *

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Pools and spas operators: 125 facilities

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

Unknown

(2) Estimate of Annual Monetary Benefit to Recipients

Unknown

(3) Legislative Intent Met?

Unknown, none provided

(4) Should it be Continued, Modified or Terminated?

Recommend termination. These are high-risk facilities that require annual safety inspections. The legislature should

Environmental Conservation

Applicable Program
Food Safety & Sanitation

Indirect Expenditure Name
Inspection fee exemption for pool and spa operators

Legislative Finance Analysis per AS 24.20.235

(4) Should it be Continued, Modified or Terminated? (cont.)

require that operators pay for a permit to offset the cost of these inspections.

Environmental Conservation

Applicable Program
Food Safety & Sanitation

Indirect Expenditure Name
Inspection fee exemption for hair and nail salon operators

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Facilities are inspected on a complaint basis. No permit is issued, so no fee is charged. Inspections were discontinued in FY16 due to budget reductions.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 23 / AS 44.46.020

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

Not provided.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - *

FY 2012 - *

FY 2013 - *

FY 2014 - *

FY 2015 - *

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Hair and nail salon operators: 637 facilities as of FY15. Facility count is no longer maintained.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

Unknown

(2) Estimate of Annual Monetary Benefit to Recipients

Unknown

(3) Legislative Intent Met?

Unknown, none provided

Environmental Conservation

Applicable Program

Food Safety & Sanitation

Indirect Expenditure Name

Inspection fee exemption for hair and nail salon operators

Legislative Finance Analysis per AS 24.20.235**(4) Should it be continued, modified or terminated?**

Recommend reconsideration. While no fee is charged, inspections were paid for by an RSA from the appropriate licensing board. DEC discontinued the inspections due to budget limitations that reduced the capacity of the division. The RSA may need to be restructured to fully offset the costs of inspecting these facilities.

Environmental Conservation

Applicable Program
Food Safety & Sanitation

Indirect Expenditure Name
Plan review fee discount of 20% for multiple types of operation within a single establishment

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Reduced time required to review multiple applications from a single operator within the same establishment allows for a reduction in the fees.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 31.050(d)

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

In order to streamline the efficiency and increase compliance within the permitting process

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$1,100

FY 2012 - \$1,100

FY 2013 - \$1,100

FY 2014 - \$1,100

FY 2015 - \$1,100

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Operators with three (3) or more types of operations within a single food establishment: 51 facilities

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$1,100

(2) Estimate of Annual Monetary Benefit to Recipients

\$22

(3) Legislative Intent Met?

Yes

Environmental Conservation

Applicable Program
Food Safety & Sanitation

Indirect Expenditure Name
Plan review fee discount of 20% for multiple types of operation within a single establishment

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation based on meeting legislative intent.

Environmental Conservation

Applicable Program
Food Safety & Sanitation

Indirect Expenditure Name
Plan review fee discount of 20% for operators of both food and bar service

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Reduced time required to review multiple applications from a single operator within the same establishment allows for a reduction in the fees.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 31.050(e)

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

In order to streamline the efficiency and increase compliance within the permitting process

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$44,400

FY 2012 - \$44,400

FY 2013 - \$44,400

FY 2014 - \$44,400

FY 2015 - \$44,400

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Operators with both food service and bar/tavern service: 654 facilities

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$44,400

(2) Estimate of Annual Monetary Benefit to Recipients

\$68

(3) Legislative Intent Met?

Yes

Environmental Conservation

Applicable Program
Food Safety & Sanitation

Indirect Expenditure Name
Plan review fee discount of 20% for operators of both food and bar service

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation based on meeting legislative intent.

Environmental Conservation

Applicable Program
Food Safety & Sanitation

Indirect Expenditure Name
Plan review fee discount of 50% for hot beverage facilities

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

There is a very limited risk for establishments that serve only hot beverages and/or non-potentially hazardous food received commercially packaged.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 31.050(f)

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

In order to streamline the efficiency and increase compliance within the permitting process

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$6,800

FY 2012 - \$6,800

FY 2013 - \$6,800

FY 2014 - \$6,800

FY 2015 - \$6,800

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Hot beverage facilities: 85 facilities

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$6,800

(2) Estimate of Annual Monetary Benefit to Recipients

\$80

(3) Legislative Intent Met?

Yes

Environmental Conservation

Applicable Program
Food Safety & Sanitation

Indirect Expenditure Name
Plan review fee discount of 50% for hot
beverage facilities

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation based on meeting legislative intent.

Environmental Conservation

Applicable Program
Food Safety & Sanitation

Indirect Expenditure Name
Sanitation fee exemption for schools

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Facilities are inspected on a complaint basis. No permit is issued, so no fee is charged. Inspections were discontinued in FY16 due to budget reductions.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 30 / AS 44.46.025 (d)

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

Not provided.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - *

FY 2012 - *

FY 2013 - *

FY 2014 - *

FY 2015 - *

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Schools - Sanitation only: 518 facilities as of FY15. Facility count is no longer maintained.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

Unknown

(2) Estimate of Annual Monetary Benefit to Recipients

Unknown

(3) Legislative Intent Met?

Unknown

(4) Should it be Continued, Modified or Terminated?

Recommend continuation. Eliminating the exemption would shift costs from the state to local school districts.

Environmental Conservation

Applicable Program

Food Safety & Sanitation

Indirect Expenditure Name

Inspection fee exemption for overnight accommodations facilities

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Facilities are inspected on a complaint basis. No permit is issued, so no fee is charged. Inspections were discontinued in FY16 due to budget reductions.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 30 / AS 44.46.025

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

Not provided.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - *

FY 2012 - *

FY 2013 - *

FY 2014 - *

FY 2015 - *

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Overnight accommodations facilities: 2486 facilities as of FY15. Facility count is no longer maintained.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

Unknown

(2) Estimate of Annual Monetary Benefit to Recipients

Unknown

(3) Legislative Intent Met?

Unknown

Environmental Conservation

Applicable Program

Food Safety & Sanitation

Indirect Expenditure Name

Inspection fee exemption for overnight accommodations facilities

Legislative Finance Analysis per AS 24.20.235**(4) Should it be continued, modified or terminated?**

Recommend reconsideration. With declining UGF funding to support these inspections, a permit and fee would be necessary to ensure facilities are inspected. The legislature should consider whether the public health risk posed by these facilities outweighs the cost of requiring a permit.

Environmental Conservation

Applicable Program

Food Safety & Sanitation

Indirect Expenditure Name

Fee exemption for public toilets, showers and laundromats

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Facilities are inspected on a complaint basis. No permit is issued, so no fee is charged. Inspections were discontinued in FY16 due to budget reductions.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 30 / AS 44.46.025

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

Not provided.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - *

FY 2012 - *

FY 2013 - *

FY 2014 - *

FY 2015 - *

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Public toilets, showers, and laundromat operators: 223 facilities as of FY15. Facility count is no longer maintained.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

Unknown

(2) Estimate of Annual Monetary Benefit to Recipients

Unknown

(3) Legislative Intent Met?

Unknown

Environmental Conservation

Applicable Program

Food Safety & Sanitation

Indirect Expenditure Name

Fee exemption for public toilets, showers and laundromats

Legislative Finance Analysis per AS 24.20.235**(4) Should it be continued, modified or terminated?**

Recommend reconsideration. With declining UGF funding to support these inspections, a permit and fee would be necessary to ensure facilities are inspected. The legislature should consider whether the public health risk posed by these facilities outweighs the cost of requiring a permit.

Environmental Conservation

Applicable Program
Laboratory Services

Indirect Expenditure Name
Fee exemption for cheese testing

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Public Industry Health

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

No fees in regulation

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

In order to comply with existing state statutes or regulations.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$1,400

FY 2012 - \$800

FY 2013 - \$400

FY 2014 - \$0

FY 2015 - \$0

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

All businesses required to perform cheese testing: 0 operators as of FY14

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend reconsideration. The cost of exempting industries may outweigh the economic benefit of the subsidy.

Environmental Conservation

Applicable Program
Laboratory Services

Indirect Expenditure Name
Fee exemption for dairy testing

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Public Industry Health

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

No fees in regulation

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

In order to comply with existing state statutes or regulations.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$35,400

FY 2012 - \$39,400

FY 2013 - \$40,900

FY 2014 - \$34,400

FY 2015 - \$33,500

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

All businesses required to perform dairy testing: 2 operators

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$33,500

(2) Estimate of Annual Monetary Benefit to Recipients

\$16,750

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend reconsideration. The cost of exempting industries may outweigh the economic benefit of the subsidy.

Environmental Conservation

Applicable Program
Laboratory Services

Indirect Expenditure Name
Fee exemption for fishmeal testing

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Public Industry Health

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

Grandfathered-No fee in regulation

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

In order to comply with existing state statutes or regulations. These fee reductions are grandfathered into the industry by regulation.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$1,000

FY 2012 - \$1,000

FY 2013 - \$800

FY 2014 - \$1,000

FY 2015 - \$900

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

All businesses submitting fishmeal for testing: 1 facility

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$900

(2) Estimate of Annual Monetary Benefit to Recipients

\$900

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend reconsideration. The cost of exempting industries may outweigh the economic benefit of the subsidy.

Environmental Conservation

Applicable Program
Laboratory Services

Indirect Expenditure Name
Fee exemption for Paralytic Shellfish Toxin testing

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Public Industry Health

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

Legislature funded an increment so the industry wouldn't be charged.

(4) Year Enacted

Not provided.

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

Legislature funded an increment so the industry wouldn't be charged.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$71,300

FY 2012 - \$65,600

FY 2013 - \$60,100

FY 2014 - \$66,500

FY 2015 - \$65,300

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Commercial Shellfish Harvesters: 268 operators

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$65,300

(2) Estimate of Annual Monetary Benefit to Recipients

\$244

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend reconsideration. The cost of exempting industries may outweigh the economic benefit of the subsidy.

Environmental Conservation

Applicable Program

Laboratory Services

Indirect Expenditure Name

Fee exemption for shellfish growing waters testing

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Public Industry Health

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

Legislature funded an increment so the industry wouldn't be charged.

(4) Year Enacted

Not provided.

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

Legislature funded an increment so the industry wouldn't be charged.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$13,900

FY 2012 - \$8,500

FY 2013 - \$6,900

FY 2014 - \$8,400

FY 2015 - \$7,700

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Commercial Shellfish Harvesters: 268 operators

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$7,700

(2) Estimate of Annual Monetary Benefit to Recipients

\$29

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend reconsideration. The cost of exempting industries may outweigh the economic benefit of the subsidy.

Environmental Conservation

Applicable Program
Laboratory Services

Indirect Expenditure Name
Fee exemption for slaughter facility testing

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Public Industry Health

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

Grandfathered-No fee in regulation, historically charged \$17, similar test in food reg is \$25 for a \$8 discount

(4) Year Enacted

Prior to FY08

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

In order to comply with existing state statutes or regulations. These fee reductions are grandfathered into the industry by regulation.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$1,300

FY 2012 - \$1,100

FY 2013 - \$1,200

FY 2014 - \$1,300

FY 2015 - \$1,200

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

All businesses required to perform HACCP for slaughter and meat processing facility: 6 facilities

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$1,200

(2) Estimate of Annual Monetary Benefit to Recipients

\$200

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend reconsideration. The cost of exempting industries may outweigh the economic benefit of the subsidy.

Environmental Conservation

Applicable Program

Municipal Grants and Loans

Indirect Expenditure Name

Discounted Interest Rates on State Revolving Fund (SRF) Loans to municipalities

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Discounted Interest Rates on SRF Loans to municipalities

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

AS 37.05.035

(4) Year Enacted

Not provided.

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

In order to encourage municipalities to use the program.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$2,960,400

FY 2012 - \$859,600

FY 2013 - \$5,505,000

FY 2014 - \$10,150,000

FY 2015 - \$3,150,000

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Municipalities that receive loans for Clean Water or Drinking Water Projects: In any given year we have appx. 150-160 active loans.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$3,150,000

(2) Estimate of Annual Monetary Benefit to Recipients

\$21,000

(3) Legislative Intent Met?

Yes

Environmental Conservation

Applicable Program

Municipal Grants and Loans

Indirect Expenditure Name

Discounted Interest Rates on State Revolving Fund (SRF) Loans to municipalities

Legislative Finance Analysis per AS 24.20.235**(4) Should it be continued, modified or terminated?**

Recommend continuation. The reduced rate encourages municipalities to participate in the loan program.

Environmental Conservation

Applicable Program

Municipal Grants and Loans

Indirect Expenditure Name

Principal forgiveness on State Revolving Fund (SRF) Loans to municipalities

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Principal Forgiveness based on certain criteria for disadvantaged communities

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

EPA Requirement to receive Capitalization Grants

(4) Year Enacted

SFY 2010

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

This is an EPA Requirement to receive Capitalization Grants.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$5,898,200

FY 2012 - \$3,598,400

FY 2013 - \$1,235,000

FY 2014 - \$3,589,000

FY 2015 - \$2,596,000

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Municipalities that qualify for partial principal forgiveness on loans for Clean Water and Drinking Water Projects: In any given year we have appx. 150-160 active loans - not all loans qualify for partial principal forgiveness.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$2,596,000

(2) Estimate of Annual Monetary Benefit to Recipients

\$17,307

(3) Legislative Intent Met?

Yes

Environmental Conservation

Applicable Program

Municipal Grants and Loans

Indirect Expenditure Name

Principal forgiveness on State Revolving Fund (SRF) Loans to municipalities

Legislative Finance Analysis per AS 24.20.235**(4) Should it be continued, modified or terminated?**

Recommend continuation. This is a federal requirement.

Environmental Conservation

Applicable Program

Solid Waste

Indirect Expenditure Name

Fee exemption for composting facilities

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

To encourage and promote non-disposal activities. Facility is exempt from fee per regulation.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 60.700(i)(1)

(4) Year Enacted

1998

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

Not provided.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$900

FY 2012 - \$0

FY 2013 - \$0

FY 2014 - \$0

FY 2015 - \$0

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Composting facilities: 2 facilities

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

(3) Legislative Intent Met?

Unknown, none provided

(4) Should it be Continued, Modified or Terminated?

Recommend continuation; while legislative intent is not provided, the exemption is reasonable.

Environmental Conservation

Applicable Program
Solid Waste

Indirect Expenditure Name
Fee exemption for landspreading of biosolids

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

To encourage and promote non-disposal activities. Facility is exempt from fee per regulation.

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 60.700(i)(2)

(4) Year Enacted

1998

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

Not provided.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$4,800

FY 2012 - \$4,800

FY 2013 - \$4,800

FY 2014 - \$4,800

FY 2015 - \$4,800

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Landspreading of biosolids: 4 facilities

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$4,800

(2) Estimate of Annual Monetary Benefit to Recipients

\$1,200

(3) Legislative Intent Met?

Unknown, none provided

(4) Should it be Continued, Modified or Terminated?

Recommend continuation; while legislative intent is not provided, the exemption is reasonable.

Environmental Conservation

Applicable Program

Wastewater Discharge Permitting

Indirect Expenditure Name

Discounted wastewater fees for small businesses

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Decreased State regulation fees for small businesses.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

18 AAC 72.956-7

(4) Year Enacted

(5) Sunset or Repeal Date

Not provided.

(6) Legislative Intent

In order to prevent excessive hurdles for small businesses that could inhibit their start-up or sustainability

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - *

FY 2012 - *

FY 2013 - *

FY 2014 - *

FY 2015 - *

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Businesses with fewer than 20 employees: Unknown universe of wastewater discharge businesses across AK with less than 20 employees.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

Unknown

(2) Estimate of Annual Monetary Benefit to Recipients

Unknown

(3) Legislative Intent Met?

Unknown

(4) Should it be Continued, Modified or Terminated?

Not enough information to make a recommendation. Without knowing the scope of foregone fees, it is unknown

Environmental Conservation

Applicable Program

Wastewater Discharge Permitting

Indirect Expenditure Name

Discounted wastewater fees for small businesses

Legislative Finance Analysis per AS 24.20.235**(4) Should it be Continued, Modified or Terminated? (cont.)**

whether the benefits outweigh the cost.

Environmental Conservation

Applicable Program

Wastewater Discharge Permitting

Indirect Expenditure Name

Stormwater and wastewater fee exemption for public schools

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Reduces State costs to State funded public schools

(2) Type

Exemption

(3) Authorizing Statute, Regulation or Other Authority

AS 44.46.020(5)(C) & AS 44.45.025

(4) Year Enacted

1993

(5) Sunset or Repeal Date

12-31-12

(6) Legislative Intent

Not provided.

(7) Public Purpose

Not provided.

(8) Estimated Revenue Impact

FY 2011 - \$1,400

FY 2012 - \$1,400

FY 2013 - *

FY 2014 - *

FY 2015 - *

(9) Cost to Administer

\$0

(10) Number of Beneficiaries / Who Benefits

Public schools discharging wastewater. Regulation covers all charitable organization exempt from federal taxation: 3 waivers between 2004-2011 and 2 waivers between 2012-2013 for Wastewater permit fees waived. BillQuick shows zero waivers between FY13-15 on activity code 08:05

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

Unknown

(2) Estimate of Annual Monetary Benefit to Recipients

Unknown

(3) Legislative Intent Met?

Unknown, none provided

Environmental Conservation

Applicable Program

Wastewater Discharge Permitting

Indirect Expenditure Name

Stormwater and wastewater fee exemption for public schools

Legislative Finance Analysis per AS 24.20.235**(4) Should it be continued, modified or terminated?**

No recommendation as the exemption expired in 2012.

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Department of Natural Resources

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Natural Resources

Applicable Program

Mining, Land and Water

Indirect Expenditure Name

Exploration Incentive Credits (EIC) for Mining Activities

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Provides exploration incentive credit for exploration activities.

(2) Type

Tax Credit

(3) Authorizing Statute, Regulation or Other Authority

AS 27.30.010

(4) Year Enacted

1995

(5) Sunset or Repeal Date

None

(6) Legislative Intent

For purpose of determining existence, location, extent, or quality of a locatable or leasable mineral or coal deposit.

(7) Public Purpose

For purpose of determining existence, location, extent, or quality of a locatable or leasable mineral or coal deposit.

(8) Estimated Revenue Impact

FY 2011 - \$2,517,412

FY 2012 - \$0

FY 2013 - \$0

FY 2014 - \$0

FY 2015 - \$0

(9) Cost to Administer

\$2,500 (approximate)

(10) Number of Beneficiaries / Who Benefits

One per year

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

(3) Legislative Intent Met?

No

(4) Should it be Continued, Modified or Terminated?

Recommend reconsideration. The credit has not been used since FY11. The legislature may wish to revisit the credit

Natural Resources

Applicable Program
Mining, Land and Water

Indirect Expenditure Name
Exploration Incentive Credits (EIC) for Mining
Activities

Legislative Finance Analysis per AS 24.20.235

(4) Should it be Continued, Modified or Terminated? (cont.)

to ensure that it is effective in spurring mineral exploration.

Natural Resources

Applicable Program
Mining, Land and Water

Indirect Expenditure Name
Sale of Sand and Gravel Material at Less than
Fair Market Value

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Convey materials at less than fair market value for mitigation of a flooding area where excess material deposition contributes to flooding.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

AS 38.05.872(b)

(4) Year Enacted

2012

(5) Sunset or Repeal Date

None

(6) Legislative Intent

The Act was to provide for the disposal of certain bedload materials in conjunction with a flood mitigation plan.

(7) Public Purpose

To make it easier to remove gravel/sand where excess deposits may cause the flooding.

(8) Estimated Revenue Impact

FY 2011 - \$0

FY 2012 - \$0

FY 2013 - \$0

FY 2014 - \$0

FY 2015 - \$0

(9) Cost to Administer

None

(10) Number of Beneficiaries / Who Benefits

None to date; however, City of Seward has expressed interest

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

(3) Legislative Intent Met?

No, as the program has not been used.

Natural Resources

Applicable Program
Mining, Land and Water

Indirect Expenditure Name
Sale of Sand and Gravel Material at Less than
Fair Market Value

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation. While the provision has not been used, it costs nothing to administer and still could be used in the future.

Natural Resources

Applicable Program
Mining, Land and Water

Indirect Expenditure Name
Sale of Peat Material at Less than Fair Market Value

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Provides 200 cubic yards for personal use by individual for free, <30,000 c.y. for commercial use at no cost for 10 year period; >30,000 c.y. at price of 20% of representative regional price or 20% of FMV for a period of 10 years.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

AS 38.05.555(f)

(4) Year Enacted

2012

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Create incentive for development of peat as a source of heat or power.

(7) Public Purpose

Create incentive for development of peat as a source of heat or power.

(8) Estimated Revenue Impact

FY 2011 - \$0

FY 2012 - \$0

FY 2013 - \$0

FY 2014 - \$0

FY 2015 - \$0

(9) Cost to Administer

None

(10) Number of Beneficiaries / Who Benefits

None to date

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

(3) Legislative Intent Met?

No, as the program has not been used.

Natural Resources

Applicable Program
Mining, Land and Water

Indirect Expenditure Name
Sale of Peat Material at Less than Fair Market Value

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation. While the provision has not been used, it costs nothing to administer and still could be used in the future.

Natural Resources

Applicable Program
Mining, Land and Water

Indirect Expenditure Name
Public and Charitable Use of Coal Deposits

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Provides lease, sale, or other disposal of state land or resources to certain entities for less than fair market value.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

AS 38.05.810(a)

(4) Year Enacted

1959

(5) Sunset or Repeal Date

None

(6) Legislative Intent

To allow the state the ability to balance the public benefit against revenues when it is in the public's best interest to authorize certain types of projects.

(7) Public Purpose

Provide state land or coal deposits suitable for mining for less than appraised value that serve a public purpose and are in the public interest.

(8) Estimated Revenue Impact

FY 2011 - Unknown

FY 2012 - Unknown

FY 2013 - Unknown

FY 2014 - Unknown

FY 2015 - Unknown

(9) Cost to Administer

\$3,000

(10) Number of Beneficiaries / Who Benefits

7 issued in 2012; 154 are in issued status and 18 in early entry authorization.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

Unknown

(2) Estimate of Annual Monetary Benefit to Recipients

Unknown

(3) Legislative Intent Met?

Yes

Natural Resources

Applicable Program
Mining, Land and Water

Indirect Expenditure Name
Public and Charitable Use of Coal Deposits

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continuation based on meeting legislative intent.

Natural Resources

Applicable Program

Oil and Gas

Indirect Expenditure Name

Waived Rent and Royalty for Shale Oil

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

The Commissioner may waive payment of royalty and rental during the first five years of the lease.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

AS 38.05.160

(4) Year Enacted

1959

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Provide Commissioner with discretion in rental fees for future shale development.

(7) Public Purpose

Encourage the production of petroleum products from shale.

(8) Estimated Revenue Impact

FY 2011 - \$0

FY 2012 - \$0

FY 2013 - \$0

FY 2014 - \$0

FY 2015 - \$0

Note: no activity has required authorization of this rental and royalty relief clause.

(9) Cost to Administer

None

(10) Number of Beneficiaries / Who Benefits

None known

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

(3) Legislative Intent Met?

No, as the program has not been used.

(4) Should it be Continued, Modified or Terminated?

Recommend continuation. While the provision has not been used, it costs nothing to administer and still could be

Natural Resources

Applicable Program

Oil and Gas

Indirect Expenditure Name

Waived Rent and Royalty for Shale Oil

Legislative Finance Analysis per AS 24.20.235

(4) Should it be Continued, Modified or Terminated? (cont.)

used in the future.

Natural Resources

Applicable Program

Oil and Gas

Indirect Expenditure Name

Exploration Incentive Credits for Oil & Gas Activities

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

EIC may not exceed 50% of eligible costs relating to activities performed on state-owned lands and 25% of eligible costs related to activities performed on land in but not owned by the state.

(2) Type

Tax Credit

(3) Authorizing Statute, Regulation or Other Authority

AS 41.09.010

(4) Year Enacted

1994

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Incentivize exploration with data available to state.

(7) Public Purpose

Encourage oil and gas exploratory work on state land.

(8) Estimated Revenue Impact

FY 2011 - \$0

FY 2012 - \$0

FY 2013 - \$0

FY 2014 - \$0

FY 2015 - \$0

Note: This is not an active incentive credit.

(9) Cost to Administer

None

(10) Number of Beneficiaries / Who Benefits

As of 2007, none (6/30/07 was last date for qualifying work)

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

(3) Legislative Intent Met?

No, as the program has not been used.

Natural Resources

Applicable Program

Oil and Gas

Indirect Expenditure Name

Exploration Incentive Credits for Oil & Gas
Activities

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

No recommendation - the credit was closed in 2007 and can be removed from future reports.

Natural Resources

Applicable Program

Oil and Gas

Indirect Expenditure Name

Exploration Incentive Credits for Oil & Gas Activities

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

A non-transferrable credit for the cost of drilling or seismic work performed under a limited time period established by the Commissioner of the Department of Natural Resources. Credit may be granted for up to 50% of the cost of drilling or seismic work, not to exceed 50% of the tax liability to which it is being applied.

(2) Type

Tax Credit

(3) Authorizing Statute, Regulation or Other Authority

AS 38.05.180(i)

(4) Year Enacted

1983

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Incentivize exploration of state lands and make data publicly available post lease sale.

(7) Public Purpose

Encourage O&G exploratory work on state land.

(8) Estimated Revenue Impact

FY 2011 - \$0

FY 2012 - \$0

FY 2013 - \$0

FY 2014 - \$0

FY 2015 - \$0

(9) Cost to Administer

None

(10) Number of Beneficiaries / Who Benefits

22 exploratory wells qualified; last claim was in 1994.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

(3) Legislative Intent Met?

No

Natural Resources

Applicable Program

Oil and Gas

Indirect Expenditure Name

Exploration Incentive Credits for Oil & Gas
Activities

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend termination. The credit has not been claimed since 1994, and there are several other oil and gas exploration incentives in statute that appear to be more effective.

Natural Resources

Applicable Program

Oil and Gas

Indirect Expenditure Name

Royalty Relief for Cook Inlet Platforms

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Royalty relief for Cook Inlet platforms.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

AS 38.05.180(f)(6)

(4) Year Enacted

2003

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Provide monetary incentive as royalty relief from oil and gas producing platforms.

(7) Public Purpose

Incentives to lessees to continue to produce from Cook Inlet platforms which were not economically viable at a 12.5% royalty rate.

(8) Estimated Revenue Impact

FY 2011 - \$12,482,905

FY 2012 - \$14,855,924

FY 2013 - \$18,114,351

FY 2014 - \$14,373,165

FY 2015 - \$6,371,535

(9) Cost to Administer

(10) Number of Beneficiaries / Who Benefits

6 companies

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$6,371,535

(2) Estimate of Annual Monetary Benefit to Recipients

\$1,061,923

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend reconsideration. It is unclear how the State benefits from oil production for which it receives no royalties or taxes.

Natural Resources

Applicable Program

Oil and Gas

Indirect Expenditure Name

Royalty Relief for Cook Inlet Small Discoveries

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Royalty Relief for small Cook Inlet discoveries.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

AS 38.05.180(f)(5)

(4) Year Enacted

1998

(5) Sunset or Repeal Date

10 yrs. after restart of production

(6) Legislative Intent

Increase Cook Inlet oil and gas production from shut in wells and platforms.

(7) Public Purpose

Incentives to lessees to restart production from Cook Inlet leases that had been shut down prior to 1988.

(8) Estimated Revenue Impact

FY 2011 - \$844,851

FY 2012 - \$1,207,137

FY 2013 - Not available

FY 2014 - \$0

FY 2015 - \$0

(9) Cost to Administer

(10) Number of Beneficiaries / Who Benefits

12 companies

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend reconsideration. It is unclear how the State benefits from oil production for which it receives no royalties or taxes.

Natural Resources

Applicable Program
Oil and Gas

Indirect Expenditure Name
Royalty Modification for Ooguruk Unit

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Royalty modification for Ooguruk Unit

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

AS 38.05.180(f)(1)(A), (2), (3), (4)(A), (5)

(4) Year Enacted

2006

(5) Sunset or Repeal Date

None

(6) Legislative Intent

To provide reduced royalty to enable Ooguruk Unit to begin production.

(7) Public Purpose

Stimulate increased production on ANS.

(8) Estimated Revenue Impact

FY 2011 - \$22,031,229

FY 2012 - \$20,722,222

FY 2013 - \$18,379,884

FY 2014 - \$22,499,833

FY 2015 - \$26,192,088

(9) Cost to Administer

(10) Number of Beneficiaries / Who Benefits

2 companies

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$26,192,088

(2) Estimate of Annual Monetary Benefit to Recipients

\$13,096,044

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend reconsideration. This provision has a significant cost and the benefits are not clear from information provided by the department.

Natural Resources

Applicable Program

Oil and Gas

Indirect Expenditure Name

Royalty Modification for Nikaitchuq Unit

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Royalty Modification for Nikaitchuq Unit

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

AS 38.05.180(f)(1)(A), (2), (3), (4)(A), (5)

(4) Year Enacted

2008

(5) Sunset or Repeal Date

None

(6) Legislative Intent

To allow the Commissioner royalty modification on individual leases.

(7) Public Purpose

Stimulate increased production on ANS.

(8) Estimated Revenue Impact

FY 2011 - \$0

FY 2012 - \$0

FY 2013 - \$0

FY 2014 - \$0

FY 2015 - \$0

(9) Cost to Administer

(10) Number of Beneficiaries / Who Benefits

None

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$0

(2) Estimate of Annual Monetary Benefit to Recipients

\$0

(3) Legislative Intent Met?

No, as the program has not been used.

(4) Should it be Continued, Modified or Terminated?

Recommend continuation. While royalty relief has not yet been used, exploration in the unit is ongoing.

Natural Resources

Applicable Program
Parks and Outdoor Recreation

Indirect Expenditure Name
Disabled Veterans Camping Pass

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Free camping pass to disabled veterans of this country for use in the state park campgrounds.

(2) Type

Discount

(3) Authorizing Statute, Regulation or Other Authority

AS 41.21.026(d)

(4) Year Enacted

1987

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Honor disabled veterans by providing them free overnight camping in state parks units.

(7) Public Purpose

Provide a benefit to disabled veterans.

(8) Estimated Revenue Impact

FY 2011 - \$260,800

FY 2012 - \$80,800

FY 2013 - \$261,400

FY 2014 - \$94,800

FY 2015 - \$449,100

(9) Cost to Administer

Negligible/cost of printing decals

(10) Number of Beneficiaries / Who Benefits

1,210 (annual average 2008-2012) 3.4 million potential beneficiaries (US Census Bureau, 11/11)

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$449,100

(2) Estimate of Annual Monetary Benefit to Recipients

\$371

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend continuation based on meeting legislative intent.

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Department of Revenue

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Revenue

Applicable Program
Multiple Tax Programs

Indirect Expenditure Name
Education Credit

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

A non-transferable credit applicable to the Corporate Income Tax, Fisheries Business Tax, Fishery Resource Landing Tax, Insurance Premium Tax, Title Insurance Premium Tax, Mining License Tax, Oil and Gas Production Tax, and the Oil and Gas Property Tax. The credit is available for up to 50% of annual contributions up to \$100,000, 100% of the next \$200,000, and 50% of annual contributions beyond \$300,000. The credit for any one taxpayer cannot exceed \$5,000,000 annually across all eligible tax types. The credit is for contributions to qualified education purposes given in AS 43.20.014(a).

(2) Type

Credit

(3) Authorizing Statute, Regulation or Other Authority

AS 21.20.014, AS 43.20.014, AS 43.55.019, AS 43.56.018, AS 43.65.018, AS 43.75.018, AS 43.77.045

(4) Year Enacted

1987, last amended 2014

(5) Sunset or Repeal Date

01-01-21

(6) Legislative Intent

The Legislature intended to encourage private businesses to make charitable contributions to support Alaskan schools.

(7) Public Purpose

To encourage private businesses that pay tax to contribute to Alaska educational institutions and facilities.

(8) Estimated Revenue Impact

FY 2011 - \$2,909,066

FY 2012 - \$3,375,825

FY 2013 - \$7,188,502

FY 2014 - \$7,498,403

FY 2015 - \$7,430,524 (preliminary number based on incomplete data)

(9) Cost to Administer

No additional cost; is administered with current resources.

(10) Number of Beneficiaries / Who Benefits

Approximately 25-35 companies.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$7,498,403

(2) Estimate of Annual Monetary Benefit to Recipients

\$249,947

Revenue

Applicable Program
Multiple Tax Programs

Indirect Expenditure Name
Education Credit

Legislative Finance Analysis per AS 24.20.235

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend modification. In calendar year 2015, taxpayers claimed credits for \$11.2 million of contributions and received \$7.4 million in credits. This amounts to the state bearing the cost of 66% of these contributions.

In addition, some taxpayers may be able to deduct some donations from their federal taxes as charitable contributions. AS 43.20.014(d)(2) prohibits corporate income taxpayers from taking both credits, but other tax types do not have this provision.

The structure of the credit allows for an extremely generous benefit to taxpayers. A taxpayer making a \$300,000 charitable contribution would receive a credit for \$250,000 from the state - 83% of the value of the contribution. Coupled with a federal deduction, the entire cost of the donation may be borne by the state and federal government, rather than the taxpayer. That is not an incentive to donate, it is a transfer from government to these organizations.

The 100% bracket in the credit should be eliminated, making the credit a flat 50% for any level of donation. In addition, the credit for tax types other than the corporate income tax should be modified to prohibit taxpayers from taking both the state and federal credits for the same activity.

Department of Transportation and Public Facilities

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Transportation and Public Facilities

Alaska Marine Highway System - Tariff Discounts/ Passes					
<p>The following fourteen discounts or passes are incorporated in the tariff structure of the Alaska Marine Highway System (AMHS). Arguably, they are not indirect expenditures of the state as they are part of the overall revenue structure established by AMHS. The only guiding statute (AS 19.65.050(c)(2)) provides intent that AMHS "increase revenue from the operation of the system consistent with the public interest." This is very broad intent and provides great flexibility in how tariffs are set and what discounts to those tariffs are applied. Many passes and discounts have been added/deleted over the years, some with no readily available source for an exact implementation date. The purpose/intent of these discounts (authorized through regulation or collective bargaining) is to reduce costs to select individuals or groups in a way that AMHS believes is consistent with the public interest. The cost to administer the discounts is absorbed into the AMHS budget.</p>					
Provision	Brief Description	Number of Beneficiaries/Who Benefits	Revenue Impact: FY 2013	Revenue Impact: FY 2014	Revenue Impact: FY 2015
Alcohol Board Passes	Issued to qualified employees of the board (in exchange for waiving fees related to alcohol permits)	Expired	\$ 2,342	\$ 332	\$ -
Children's Discounted Tariffs	Children aged 6-11 receive a 50% discount on the route based adult passenger tariff	On average 8,200 individuals use this per year	\$ 654,394	\$ 646,974	\$ 638,574
Disability Pass	Qualified disabled individuals receive a 50% discount on the route specific adult passenger tariff - in State passage only	On average 100 individuals use this pass each year	\$ 13,307	\$ 45,891	\$ 33,792
Employee Annual Passes	Qualified AMHS employees and their immediate families receive free passenger/vehicle travel space on an available basis. \$100 annual fee implemented.	On average 650 employees use this per year	\$ 1,026,931	\$ 1,320,775	\$ 1,254,827
Employee Trip Passes	Qualified AMHS employees are allowed free passage when traveling to and from work. In addition workers who have not obtained annual pass privileges can use trip passes on a space available basis.	On average 80 employees use this per year	\$ 293,892	\$ 192,771	\$ 139,515
Interpretive Passes	Contractual agreements with Federal Government Agencies (USFS, USFG) for interpretive services	Expired	\$ 14,592	\$ 282	\$ -

Transportation and Public Facilities

AMHS Tariff Discounts/ Passes- Continued					
Provision	Brief Description	Number of Beneficiaries/Who Benefits	Revenue Impact: FY 2013	Revenue Impact: FY 2014	Revenue Impact: FY 2015
Marine Transportation Advisory Board (MTAB) Member Passes	Issued to current board members for official MTAB business travel - (Offsets to AMHS Budget)	Expired	\$ 120	\$ 467	\$ -
National/Guard Militia Passes	Issued to qualified members traveling to and from training exercises on a space available basis	Expired	\$ 1,927	\$ 971	\$ 166
Senior Citizen's Discounted Tariffs	Senior's aged 65 and older receive a 25% discount on the route based adult passenger tariff	Recent Average usage of 18,500 individuals use this per year.	\$ 773,791	\$ 626,203	\$ 611,598
Trooper/USFS Enforcement Passes	Contractual agreements with State and Federal Government Agencies (State Troopers, USFS) for enforcement presence	This program expired in 2013, but was reinstated for FY16	\$ 10,751	\$ -	\$ -
Underage Discounted Tariffs	Children aged 5 & under travel free (passage only)	On average 6,500 individuals use this per year	\$ 1,379,649	\$ 1,380,898	\$ 1,371,757
USCG Sea Marshall Passes	Issued to qualified members traveling to and from official Sea Marshall business - Pass #90040	Expired	\$ -	\$ 460	\$ -
Veteran Disability Pass	Qualified disabled veterans receive a 50% discount on the route specific adult passenger tariff - In state passage only	On average 50 individuals use this per year	\$ 30,080	\$ 12,956	\$ 10,919
Youth Group Discounted Tariffs	Organized Youth Groups receive a 50% discount on the route based adult passenger tariff - in State passage only	On average 6,500 individuals use this per year	\$ 736,645	\$ 704,016	\$ 699,006
		Total	\$4,936,079	\$4,932,665	\$4,760,153
<p>Recommendation: "Foregone" revenue attributed to these discounts is over \$4.7 million (in FY15). Although the legislature currently has no role in setting AMHS tariffs, the legislature may wish to address the issue of discounted fares in statute or via intent language in the operating budget.</p>					

Judiciary

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Judiciary

The following twenty-six provisions comprise what is commonly referred to as “fix-it” tickets; correctable violations related to equipment (such as a broken tail light) or motor vehicle insurance that are dismissed if proof of correction is submitted to the Court. The purpose/intent of these rules (authorized through the Alaska Administrative Code, Alaska Statutes or Administrative Rules of the Court) is to encourage corrective action. The cost to administer them is absorbed in the Courts’ budget.

Correctable Violations	Revenue Impact: FY 2011	Revenue Impact: FY 2012	Revenue Impact: FY 2013	Revenue Impact: FY 2014	Revenue Impact: FY 2015
Additional Lighting Requirements	\$80	\$280	\$120	\$80	\$0
Additional Lights Required For Emergency Vehicle	\$0	\$0	\$0	\$0	\$0
Anti-Spray Devices Required	\$4,240	\$4,730	\$2,160	\$3,540	\$8,460
Brake Requirements	\$270	\$180	\$180	\$180	\$270
Emission Control System Requirements	\$0	\$0	\$0	\$0	\$0
Energy Absorption System Requirements	\$1,200	\$1,875	\$825	\$1,500	\$1,200
Fail To Provide Child Safety Device 1st Offense	\$0	\$800	\$0	\$310	\$440
Headlight Requirements	\$41,570	\$60,830	\$53,550	\$61,240	\$51,920
Horn/Warning Device Requirements	\$0	\$120	\$0	\$0	\$0
License Carried/ Exhibited On Demand	\$5,250	\$9,500	\$6,400	\$10,150	\$8,450
Mirror Requirements	\$2,340	\$2,340	\$2,100	\$1,620	\$1,860
Muffler Requirements	\$2,550	\$2,370	\$2,160	\$4,500	\$2,700
Operating Vehicle w/Studded/Chained Tires When Prohibited	\$19,650	\$18,055	\$16,750	\$25,950	\$25,200
Other Equipment Required: Horn/Mirrors/Tires/Etc. (Bicycle)	\$0	\$40	\$0	\$0	\$0
Parking Light Requirements	\$80	\$120	\$40	\$80	\$0
Proof of Insurance To Be Carried And Exhibited on Demand	\$2,758,250	\$2,964,500	\$2,188,000	\$2,593,500	\$2,894,410
Reflector Requirements	\$280	\$440	\$240	\$240	\$320
Restrictions On Lighting Equipment	\$700	\$590	\$160	\$420	\$200
Safety Belt Requirements	\$375	\$225	\$225	\$450	\$300
Steering Assembly / Wheel Align/Body Condition	\$0	\$400	\$0	\$200	\$0
Stop Light Requirements	\$8,760	\$10,200	\$7,520	\$10,320	\$10,040
Taillight Requirements	\$18,600	\$24,760	\$20,160	\$24,560	\$15,160
Tinted Windows	\$92,472	\$72,900	\$62,650	\$56,900	\$57,000
Tire Restrictions And Requirements	\$250	\$200	\$550	\$300	\$100
Turn Light Requirements	\$880	\$800	\$280	\$1,040	\$760
Windshield and wiper requirements	\$1,460	\$2,150	\$800	\$2,050	\$1,350
TOTAL	\$2,959,257	\$3,178,405	\$2,364,870	\$2,799,130	\$3,080,140

Recommendation: Continue - these programs are intended to improve public safety, not to generate revenue.

Judiciary

Applicable Program

Trial Courts

Indirect Expenditure Name

Community Work Service order in Lieu of Fine or Surcharge

Department of Revenue Submission per AS 43.05.095
(1) Description of Provision

The court may order a defendant to perform Community Work Service instead of imposing fines and surcharges in instances of probation, suspended sentence and suspended imposition of sentence.

(2) Type

Fee/Fine/Cost Dismissal or Credit

(3) Authorizing Statute, Regulation or Other Authority

As 12.55.055

(4) Year Enacted

2005

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Encourage corrective behavior

(7) Public Purpose

Encourage corrective behavior

(8) Estimated Revenue Impact

FY 2011 - \$47,922

FY 2012 - \$44,538

FY 2013 - \$46,951

FY 2014 - \$48,121

FY 2015 - \$38,880

(9) Cost to Administer

Not provided.

(10) Number of Beneficiaries / Who Benefits

Not tracked.

Legislative Finance Analysis per AS 24.20.235
(1) Estimate of Annual Revenue Foregone by the State

\$38,880

(2) Estimate of Annual Monetary Benefit to Recipients

Indeterminate

(3) Legislative Intent Met?

Yes

Judiciary

Applicable Program

Trial Courts

Indirect Expenditure Name

Community Work Service order in Lieu of Fine
or Surcharge

Legislative Finance Analysis per AS 24.20.235**(4) Should it be continued, modified or terminated?**

Recommend continue - the program provides an appropriate alternative to individuals unable to pay court fines or surcharges.

Judiciary

Applicable Program

Trial Courts

Indirect Expenditure Name

Defensive Driving Course Completion Credit
against Fines

Department of Revenue Submission per AS 43.05.095
(1) Description of Provision

The prosecution may defer prosecution in instances where an agreement has been reached for the defendant to instead complete a defensive driving course.

(2) Type

Fee/Fine/Cost Dismissal or Credit

(3) Authorizing Statute, Regulation or Other Authority

Administrative Rules of Court, Minor Offense Rule 11

(4) Year Enacted

n/a

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Legislative intent not applicable as provision is Court ordered

(7) Public Purpose

Encourage corrective behavior

(8) Estimated Revenue Impact

FY 2011 - \$192,389

FY 2012 - \$181,509

FY 2013 - \$95,967

FY 2014 - \$3,832

FY 2015 - \$435

(9) Cost to Administer

Not provided.

(10) Number of Beneficiaries / Who Benefits

Not tracked.

Legislative Finance Analysis per AS 24.20.235
(1) Estimate of Annual Revenue Foregone by the State

\$435

(2) Estimate of Annual Monetary Benefit to Recipients

Indeterminate

(3) Legislative Intent Met?

Yes

Judiciary

Applicable Program

Trial Courts

Indirect Expenditure Name

Defensive Driving Course Completion Credit
against Fines

Legislative Finance Analysis per AS 24.20.235**(4) Should it be continued, modified or terminated?**

Recommend continue - the program is intended to improve public safety, not to generate revenue. The significant drop in revenue impact is due to a change in how these cases are processed.

Judiciary

Applicable Program

Trial Courts

Indirect Expenditure Name

Exemption from Payment of Fees due to Determination of Indigency

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Allows a judicial officer to use specific guidelines to find a party indigent. In such cases the party is exempt from payment of fees.

(2) Type

Fee/Fine/Cost Dismissal or Credit

(3) Authorizing Statute, Regulation or Other Authority

Administrative Rules of Court, Sections 9 & 10

(4) Year Enacted

1980

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Legislative intent not applicable as provision is Court ordered

(7) Public Purpose

Allows access to court system for disadvantaged individuals

(8) Estimated Revenue Impact

FY 2011 - \$152,613

FY 2012 - \$157,971

FY 2013 - \$200,547

FY 2014 - \$166,712

FY 2015 - \$148,016

(9) Cost to Administer

Not provided.

(10) Number of Beneficiaries / Who Benefits

Not tracked.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$148,016

(2) Estimate of Annual Monetary Benefit to Recipients

Indeterminate

(3) Legislative Intent Met?

n/a

Judiciary

Applicable Program
Trial Courts

Indirect Expenditure Name
Exemption from Payment of Fees due to
Determination of Indigency

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continue - equal protection and access to justice for indigent litigants should continue.

Judiciary

Applicable Program

Trial Courts

Indirect Expenditure Name

Ignition Interlock Device Credit against Fines

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Drivers ordered to have an Ignition Interlock Device installed in their vehicle as a consequence of an alcohol-related offense may deduct the cost of said device from their fines.

(2) Type

Fee/Fine/Cost Dismissal or Credit

(3) Authorizing Statute, Regulation or Other Authority

AS 12.55.102

(4) Year Enacted

1989

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Encourage corrective behavior

(7) Public Purpose

Encourage corrective behavior

(8) Estimated Revenue Impact

FY 2011 - \$162,646

FY 2012 - \$439,340

FY 2013 - \$540,853

FY 2014 - \$518,488

FY 2015 - \$501,385

(9) Cost to Administer

Not provided.

(10) Number of Beneficiaries / Who Benefits

Not tracked.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$501,385

(2) Estimate of Annual Monetary Benefit to Recipients

Indeterminate

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend continue - the program is intended to improve public safety, not to generate revenue.

Judiciary

Applicable Program

Trial Courts

Indirect Expenditure Name

State of Alaska Agencies Exempt from Filing,
Copy and Certifying Fees

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Exempts Alaska state agencies from paying court fees.

(2) Type

Fee/Fine/Cost Dismissal or Credit

(3) Authorizing Statute, Regulation or Other Authority

Administrative Rules of Court, Section 9(f)(1)

(4) Year Enacted

1980

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Legislative intent not applicable as provision is Court ordered

(7) Public Purpose

n/a

(8) Estimated Revenue Impact

FY 2011 - \$76,571

FY 2012 - \$72,396

FY 2013 - \$78,720

FY 2014 - \$87,520

FY 2015 - \$74,735

(9) Cost to Administer

Not provided.

(10) Number of Beneficiaries / Who Benefits

Not tracked.

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

\$74,735

(2) Estimate of Annual Monetary Benefit to Recipients

Indeterminate

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend continue

Judiciary

Applicable Program

Trial Courts

Indirect Expenditure Name

Suspended Court Ordered Fines and Surcharges

Department of Revenue Submission per AS 43.05.095
(1) Description of Provision

The court may suspend imposition of sentence and place a defendant on probation when convinced the best interests of the public and the defendant are achieved by doing so.

(2) Type

Fee/Fine/Cost Dismissal or Credit

(3) Authorizing Statute, Regulation or Other Authority

AS 12.55.080

(4) Year Enacted

1962

(5) Sunset or Repeal Date

None

(6) Legislative Intent

Encourage corrective behavior

(7) Public Purpose

Encourage corrective behavior

(8) Estimated Revenue Impact

FY 2011 - \$6,574,688

FY 2012 - \$5,859,923

FY 2013 - \$5,140,190

FY 2014 - \$4,133,960

FY 2015 - \$3,480,910

(9) Cost to Administer

Not provided.

(10) Number of Beneficiaries / Who Benefits

Not tracked.

Legislative Finance Analysis per AS 24.20.235
(1) Estimate of Annual Revenue Foregone by the State

\$3,480,910

(2) Estimate of Annual Monetary Benefit to Recipients

Indeterminate

(3) Legislative Intent Met?

Yes

Judiciary

Applicable Program
Trial Courts

Indirect Expenditure Name
Suspended Court Ordered Fines and
Surcharges

Legislative Finance Analysis per AS 24.20.235

(4) Should it be continued, modified or terminated?

Recommend continue - the intent is to reform defendants, not to generate revenue.

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