

# PERMANENT FUND DIVIDEND DIVISION

## ANNUAL REPORT 2019

*State of Alaska, Department of Revenue*



Road to Fairbanks  
Photo by Brandon Demery

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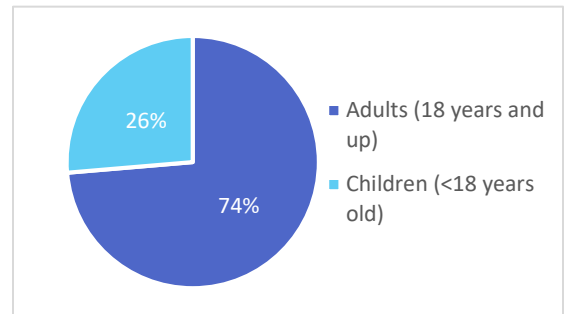
# DIVIDEND SUMMARY

The 2019 Permanent Fund Dividend (PFD) amount was **\$1,606.00** for each of the **633,243** qualified applicants, totaling a distribution of roughly **\$1,016,988,258** by the end of the year.

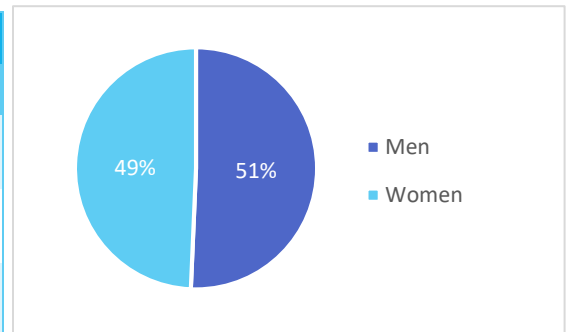
## DIVIDEND OVERVIEW

During the 2019 calendar year, the Division received 678,669 total PFD applications. This number includes all valid applications, invalid, duplicate, withdrawn, applications for prior year dividends, and applications submitted solely to establish sponsor eligibility. If we remove all the invalid, duplicate, and withdrawn applications, the division received a total of 667,484 valid applications.

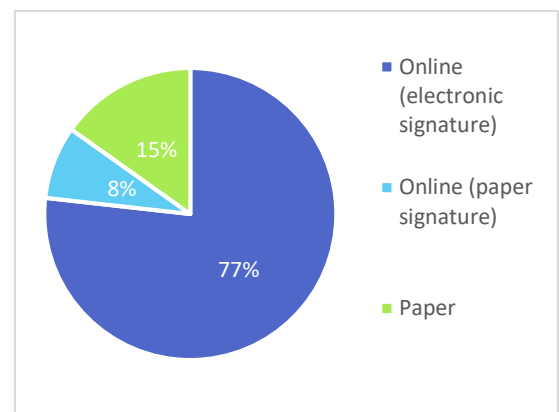
Applicants by Age (valid 2019 dividend only)		
Group	Filed	%
Adults (18 years and up)	494,458	74.08%
Children (<18 years old)	173,026	25.92
Total	667,484	100.00%



Applicants by Gender (valid 2019 dividend only)		
Group	Filed	%
Men	337,529	50.57
Women	329,995	49.43%
Total	667,484	100.00%



Applicants by Filing Method (valid 2019 dividend only)		
Method	Filed	%
Online (electronic signature)	512,424	76.77%
Online (paper signature)	53,854	8.07%
Paper	101,206	15.16%
Total	667,484	100.00%



# DIVIDEND SUMMARY

## DIVIDEND CALCULATION

In 2019, the dividend amount was determined through the Legislative process. Estimated applicant numbers are used because eligibility determinations have not been completed for all applications at the time the funds are requested from the Permanent Fund Corporation. A number of these applications will be determined as payable after continued processing. Also, some applicants have filing due dates extended until March 31, 2020, such as the estate and disabled applications.

### Amount Available for Dividends

FY 20 PFD Fund Beginning Balance	\$0.00	
Expenditures to date	\$(250,000.00)	
PFD Fund Balance as of September 1, 2019		\$(250,000.00)
Transfer from Permanent Fund Corporation		
Permanent Fund Earnings (5-year average)	\$1,061,565,174.87	
Less Appropriations ( <i>see below</i> )	\$(47,191,700.00)	
Net Transfer from Permanent Fund Corporation		\$1,014,373,474.87
Reductions ( <i>see below</i> )		\$(735,047.59)
<b>Total Amount Available for Dividends</b>		<b>\$1,013,388,427.28</b>
<b>Total estimated number of eligible applicants:</b>	<b>631,001</b>	

### Appropriations and Reductions Detail

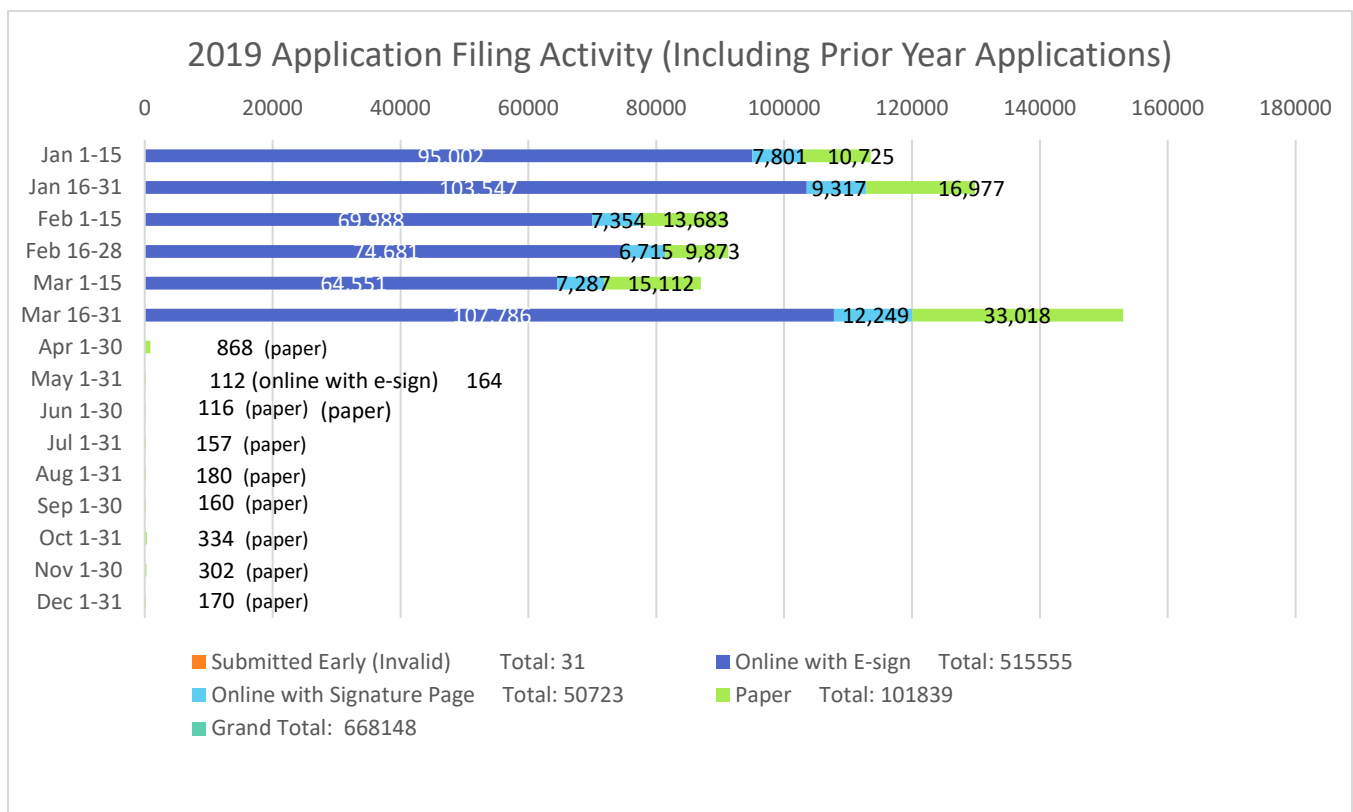
#### Appropriations

Department of Health and Social Services		
Hold-Harmless Provision for Public Assistance		\$17,939,700.00
Department of Corrections		
Physical Health Care	\$17,796,400	
Public Safety Council on Domestic Violence	\$215,000.00	
Office of Victim's Rights	\$796,200.00	
Total Department of Corrections		\$18,807,600.00
Department of Revenue, PFD Division		
Administrative Cost	\$8,329,400.00	
Total Department of Revenue, PFD Division		\$8,329,400.00
Department of Administration		
Violent Crimes Compensation Board		\$2,115,000.00
<b>Total Appropriations</b>		<b>\$47,191,700.00</b>
Reductions		
Reserve for Prior Year Dividend Liabilities	\$297,051.39	
Reserve for 18-Year-Old Applications for Prior Years	\$391,996.20	
Reserve for Resource Rebate Payments	\$46,000.00	
<b>Total Reductions</b>		<b>\$735,047.59</b>
<b>Total Appropriations and Reductions Detail</b>		<b>\$47,926,747.59</b>

# APPLICANT FILING ACTIVITY

The application filing period runs from **January 1<sup>st</sup> through March 31<sup>st</sup>** each year. The table below contains detailed numbers gathered during the 2019 filing season, and overall totals for the remainder of the year. Submitting an application online is only available during that time. Paper applications must be received by the Division or postmarked before the end of the filing period to be considered timely.

The total applications received and processed by the Division in 2019 totaled **678,669**, but the filing activity shown below excludes applications that were determined invalid as duplicates, the incorrect type for the applicant, or submitted solely to establish sponsor eligibility, as well as applications received before the first acceptable filing date. (It does include applications received for Dividend Years other than 2019)



# APPLICANT FILING ACTIVITY

## REPORTED ABSENCES

Dividend applicants are required to disclose to the Division all absences from the state of Alaska that exceed 90 total days during the qualifying year. The qualifying year for the 2019 Dividend was from Jan. 1, 2018 to Dec. 31, 2018.

Applicants can claim more than one type of absence, but reported absences cannot overlap each other. Therefore, each day of absence can be reported under only one absence type.

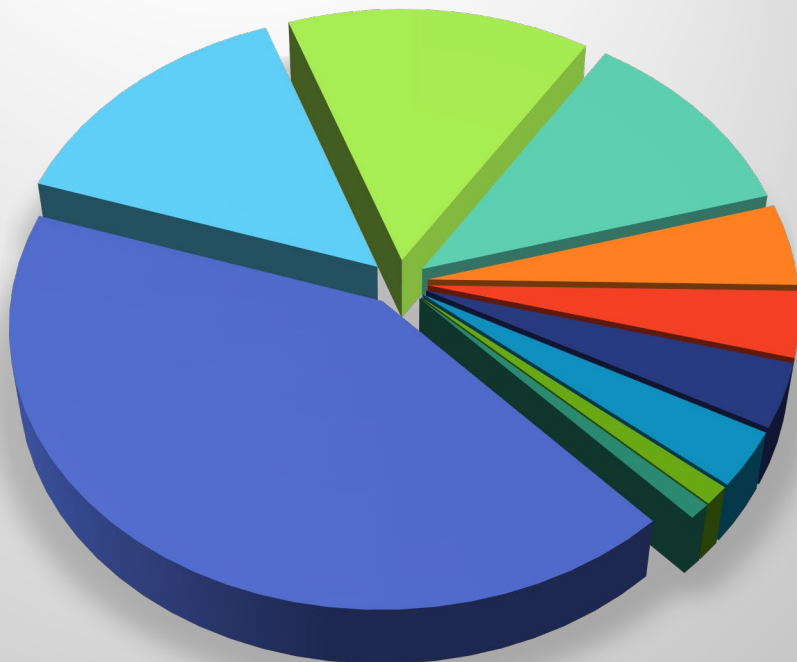
Some absence types only apply to ADULT applicants, others only to CHILDREN, and others to either group.

### Top Reasons Why Alaskans Were Absent During the Qualifying Year (2019):

- Other (now includes vacation) -- 15,628 applicants reported
- Accompanying an Eligible Resident -- 5,411
- Post Secondary Education (Full time college) -- 5,393
- Armed Forces -- 4,292
- Employment -- 1,755

## Top 10 Applicant Reported Absences in 2019

- Other
- Accompany Elig Resident
- PostSecondary Education
- Armed Forces
- Employment
- Moved
- Medical Treatment
- Secondary Education
- Terminally Ill Care
- Life-Threatening Care



# APPLICANT FILING ACTIVITY

Reported absences shown are for 2019 Dividend applications only, representing absences during the 2018 calendar year.

Absence Reason	Applicants Answering Between 91—180 total days absent			Applicants Answering Over 180 total days absent			Grand Total
	91-180		91-180 Total	>180		>180 Total	
	ADULT	CHILD		ADULT	CHILD		
Accompanied an Alaska resident who was eligible for a PFD	558	827	1,385	1,330	2,696	4,026	5,411
U.S. Armed Forces active duty	1,150	--	1,150	3,142	--	3,142	4,292
Served as a member of Alaska's Congressional delegation or staff	11	--	11	24	--	24	35
Sought Employment outside of the state	1,133	--	1,133	622	--	622	1,755
Absent as part of a Legal Custody agreement	--	107	107	--	59	59	166
Cared for a direct relative with a critical life-threatening illness	231	13	244	89	8	97	341
Received continuous Medical Treatment	907	65	972	331	78	409	1,381
Served aboard a Merchant Marine Vessel	32	--	32	36	--	36	68
No reason specified	44	3	47	27	6	33	80
Trained or competed as a U.S. Olympic Team member	10	4	14	4	--	4	18
Other, including business & vacation	11,280	824	12,104	3,100	424	3,524	15,628
Served as a federal Peace Corps volunteer	12	--	12	21	--	21	33
Enrolled as a full-time student (Postsecondary Education)	1,938	16	1,954	3,431	8	3,439	5,393
Enrolled as a full-time student (grades 7-12)	476	114	590	549	62	611	1,201
Settled the Estate of a deceased relative	191	--	191	56	--	56	247
Employed by the State of Alaska	45	--	45	13	--	13	58
Student Fellowship sponsored by the U.S. DOE	42	--	42	23	--	23	65
Cared for a terminally ill family member	258	4	262	144	0	144	406
Unknown Absence	0	0	0	1	0	0	1

# APPLICANT FILING ACTIVITY

## APPLICATION TYPES AND COUNTS

The Division classifies applications by type for ease of distribution and updating of forms.

Note:

- Total applications shown below include applications for dividends prior to 2019.
- Eligible Prior Year Applications for 18-year-old filers: Under regulation 15 AAC 23.133, an individual who has reached majority or who is an emancipated minor, may apply for a prior year dividend. An individual who qualifies must meet all eligibility requirements for the respective prior year(s) and must file before the individual reaches 20 years of age. See Alaska Statute 43.23.055(3).

Dividend Filing Activity			
Application Type and Amount			
Adult Applications	Amount	Child Applications	Amount
Adult Online	409,377	Child Online	147,977
Adult Paper	77,294	Child Paper	21,710
Adult Refile (After filing deadline)	380	Child Refile (After filing deadline)	92
Application on Behalf of Another Adult (online and paper)	4,506	Child in Custody of Health and Social Services	3131
Disabled Individual	296	Estate of Deceased Child	20
Estate of Deceased Adult	1,025	Child Application filed by Tribal Court	69
Office of Public Advocacy	1,580		
<b>Total Valid Adult Applications</b>			<b>494,458</b>
<b>Total Valid Child Applications</b>			<b>172,930</b>
<b>Prior Year 18-Year-Old Filers</b> (any dividend year)			<b>27</b>
<b>All other Prior-year Dividend Applications</b>			<b>664</b>
<b>Total Valid Applications</b> (any dividend year)			<b>668,079</b>
<b>Invalid, Duplicate, Withdrawn, or Applications Submitted Solely to Establish Sponsor Eligibility</b>			<b>10,590</b>
<b>Total Applications received during 2019</b>			<b>678,669</b>



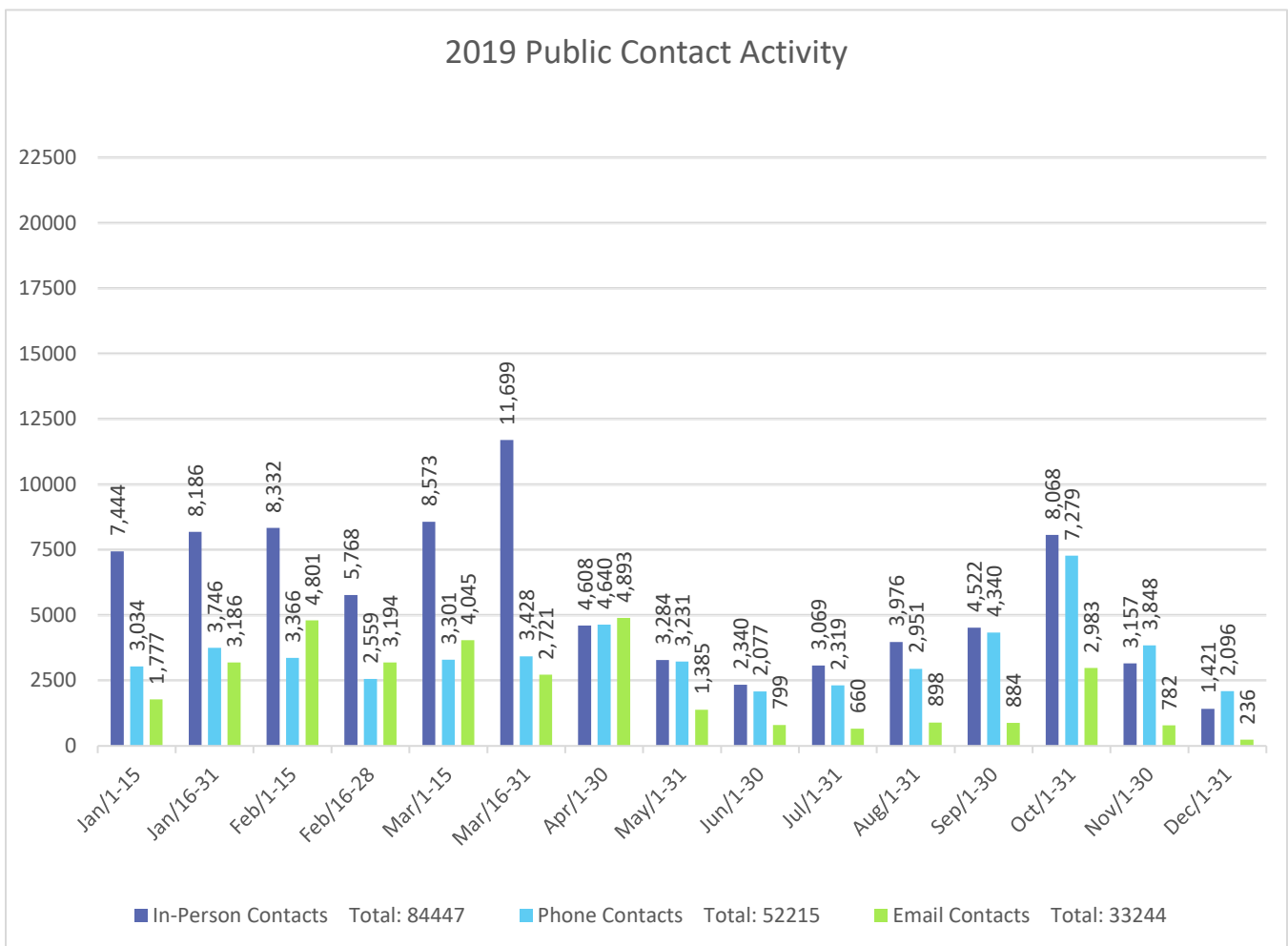
# DIVISION PROCESSING ACTIVITY

## Division Processing Activity

### PUBLIC CONTACT

The application filing period runs from **January 1<sup>st</sup> through March 31<sup>st</sup>** each year, encompassing January through March on the graph below.

- In-Person Contacts shown here represent walk-in traffic across all three of the Division offices; Juneau, Anchorage, and Fairbanks.
- Phone Contacts are calls received by the Division through general public lines. These numbers do not include direct-dialed calls from applicants to Division personnel or vice-versa.
- Email Contacts represented on the graph below are those received by the Division through [dor.pfd.info@alaska.gov](mailto:dor.pfd.info@alaska.gov). Electronic contact directly between individual PFD technicians and applicants are not represented.



# DIVISION PROCESSING ACTIVITY

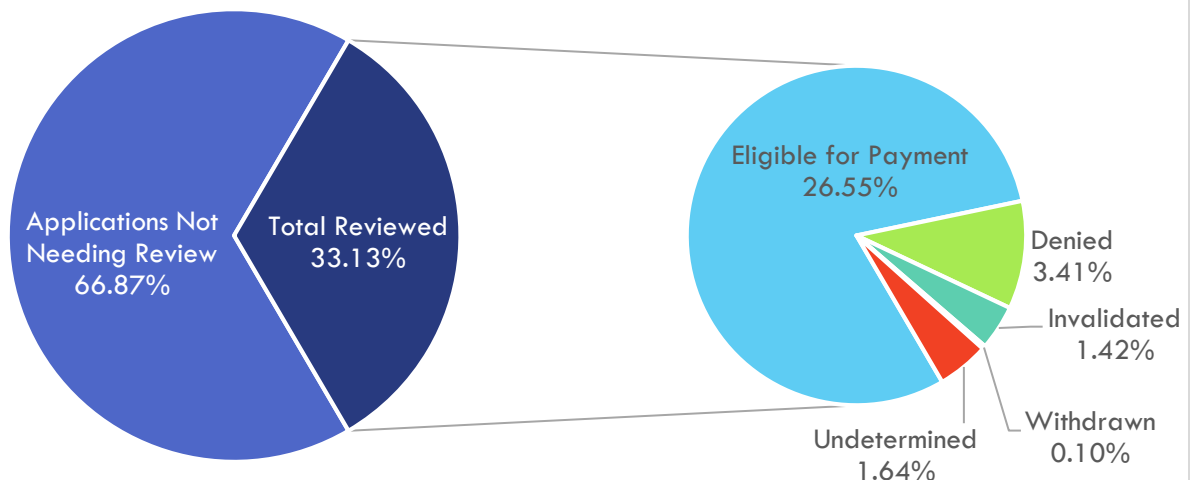
## ELIGIBILITY REVIEW

All applications received by the Division are initially processed in the order of receipt. Each application is evaluated for payment eligibility according to the requirements of the Permanent Fund Dividend program, as given in the State of Alaska statutes and PFD regulations.

Division Eligibility Technicians use information available on current and prior year applications, or obtained through contact with the applicant and other designated parties in order to make an eligibility determination. Many cases are determined without additional applicant contact.

All applications that satisfy the eligibility requirements are processed for payment beginning the first Thursday of October each year. Applications that are still awaiting determination are then paid on the third Thursday of each month as they become eligible.

2019 Eligibility Review Determination Breakdown



YEAR	TOTAL APPLICATIONS RECEIVED	MARKED FOR REVIEW	ELIGIBILITY REVIEW RESULT				
			Eligible for Payment	Denied	Invalidated	Withdrawn	Undetermined
2019	678,738	224,859	180,228	23,177	9,660	693	11,101
2018	670,759	249,576	211,362	28,068	4,986	476	4,684
2017	672,243	252,389	211,668	27,629	4,764	509	7,819
2016	675,531	240,932	202,265	31,205	3,428	485	3,549

# DIVISION PROCESSING ACTIVITY

## Audits

The Permanent Fund Dividend Division takes steps to identify and minimize fraudulent activity as it pertains to the dividend program in accordance with statutory mandates and the Division mission. The following *audits* represent a sampling of applications that have been scrutinized and evaluated in addition to standard eligibility review.

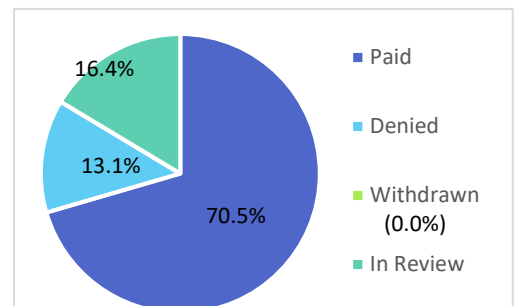
In accordance with state regulations, the Division can deny an application if it reveals that an individual has provided incorrect information, such as failing to disclose a reportable absence, to the Division.

2019 dividend dollars NOT paid to applicants due to audit identification of ineligibility: **\$1,019,810.00**

### OUT-OF-STATE POSTMARK AUDIT

The Division contacts applicants for additional information if the application's postmark indicates there may be an inconsistency in the applicant's indicated presence, residency, or mailing address in Alaska at the time of filing.

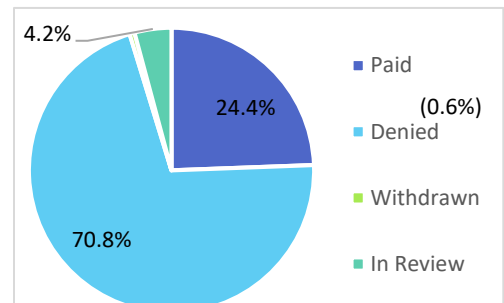
Audit Result	# of Apps	% of this audit	% of total Apps audited	% of total Apps received
Paid	43	70.49%	4.55%	0.01%
Denied	8	13.11%	0.85%	0.00%
Withdrawn	-	0.00%	0.00%	0.00%
In Review	10	16.39%	1.06%	0.00%
<b>Total</b>	<b>61</b>	<b>100.00%</b>	<b>6.45%</b>	<b>0.01%</b>



### NATIONAL CHANGE OF ADDRESS AUDIT

The Division contacts applicants for additional information if \*NCOA records indicate there may be an inconsistency in the applicant's indicated presence, residency, or mailing address in Alaska at the time of filing.

Audit Result	# of Apps	% of this audit	% of total Apps audited	% of total Apps received
Paid	216	24.40%	22.83%	0.03%
Denied	627	70.85%	66.28%	0.09%
Withdrawn	5	0.57%	0.53%	0.00%
In Review	37	4.18%	3.91%	0.01%
<b>Total</b>	<b>885</b>	<b>100.00%</b>	<b>93.55%</b>	<b>0.13%</b>



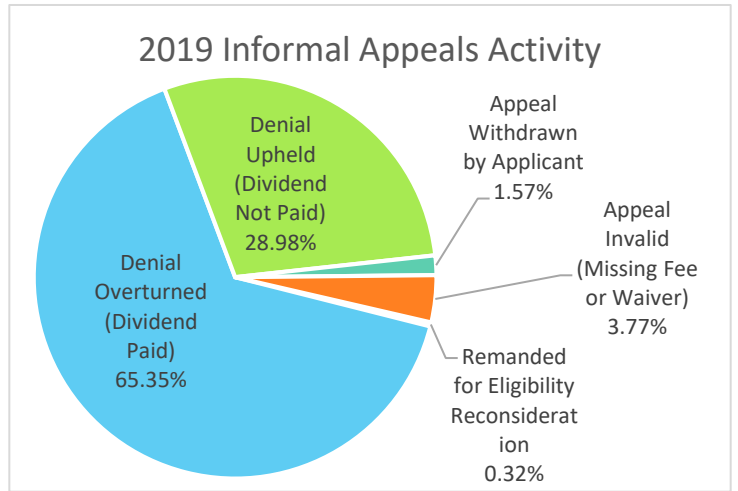
\* The National Change of Address (NCOA) Audit was created in Dividend Year 2010. The United States Postal Service reports information to us on current applicants who have submitted a change of address that does not match the PFD address on file. This data is used largely to keep in contact with applicants who move after submitting an application.

# DIVISION PROCESSING ACTIVITY

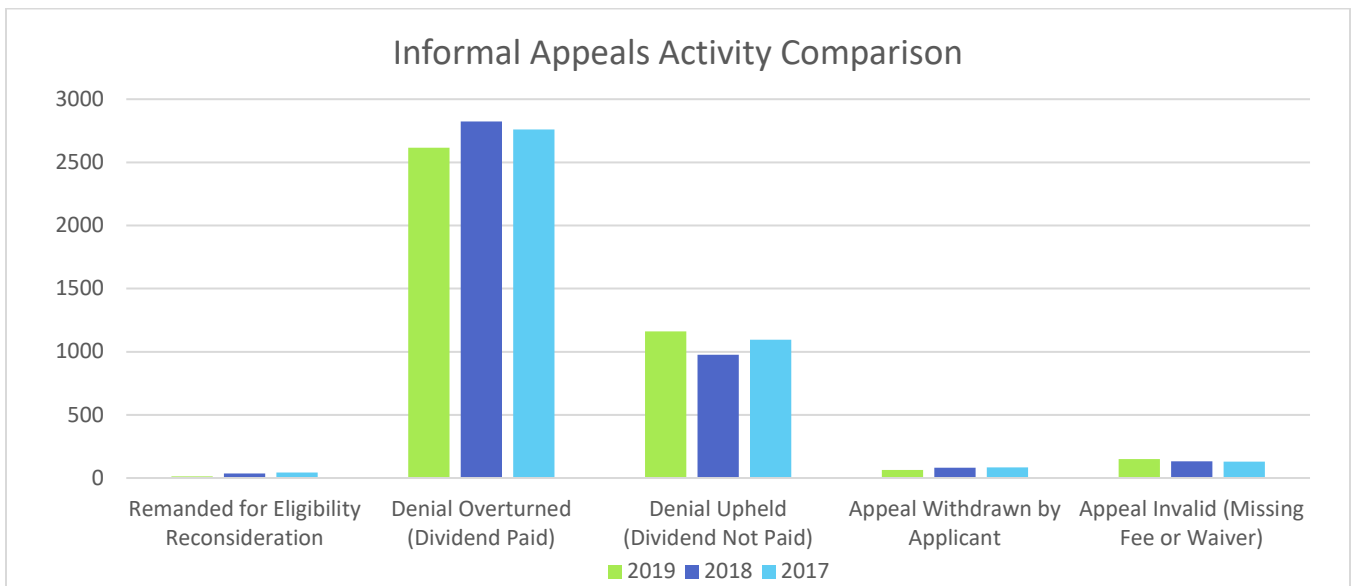
## APPEALS

### Informal Appeals

An ineligible individual will be issued a denial letter explaining the eligibility determination. Included with all denial letters is an Informal Appeal Form. The individual has 30 days from the date of the denial letter to file a Request for Informal Appeal, explaining why either the facts are incorrect or the law was applied incorrectly, with supporting evidence. The applicant must provide a \$25.00 appeal fee or request a waiver of the fee based on the federal poverty guidelines.



Dividend Year	Remanded for Eligibility Reevaluation	Denial Overturned (Dividend Paid)	Denial Upheld (Dividend Not Paid)	Appeal Withdrawn by Applicant	Appeal Invalid (Missing Fee or Waiver)	Total Decisions
2019	13	2,616	1,160	63	151	4,003
2018	35	2,824	975	82	132	4,048
2017	43	2,760	1,095	84	131	4,113



# DIVISION PROCESSING ACTIVITY

## Formal Appeals

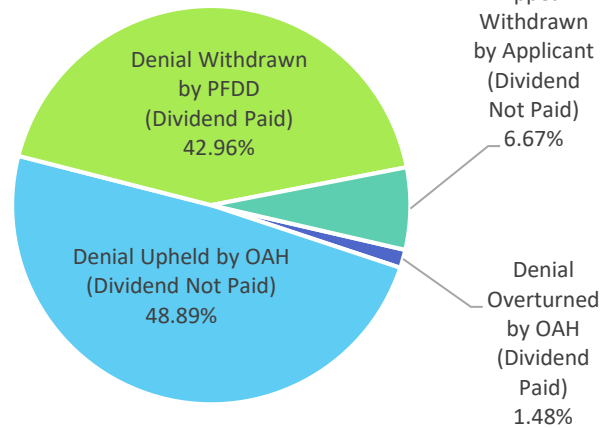
Upon receiving an Informal Appeal request, the Division Appeals Technicians review the original application with all supporting material. A letter will be sent to the applicant detailing the Informal Appeal Decision and reasoning.

If the individual does not concur with the Division's decision, he or she has 30 days from the date of the decision letter to file a Request for Formal Hearing Appeal form, explaining and supporting their position.

A Division Specialist will prepare the Division's position and the appeal will be heard by an Administrative Law Judge with the Office of Administrative Hearings (OAH).

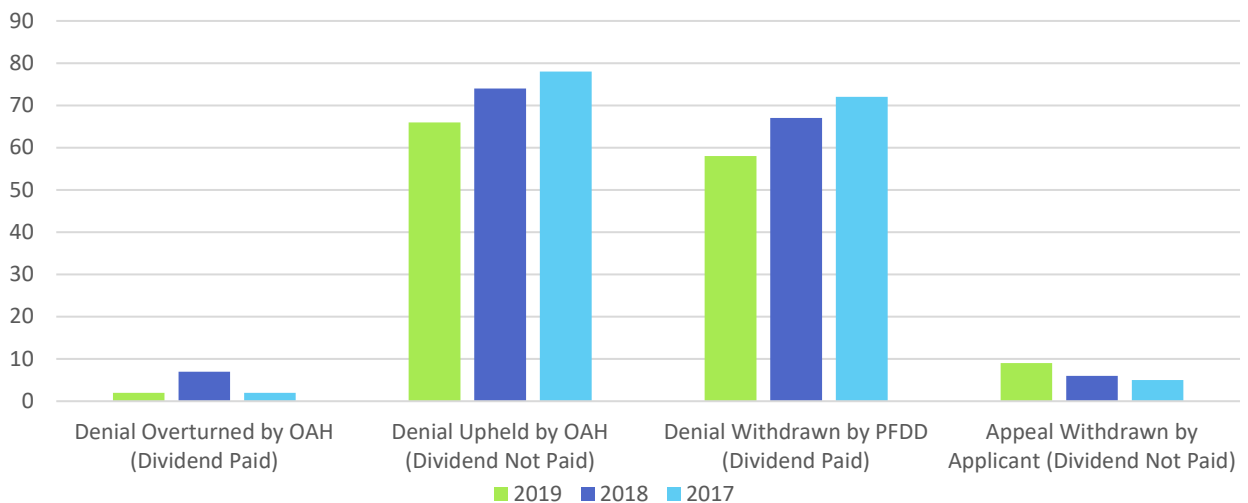
There is no additional fee to file the Formal Hearing appeal. However, an Informal Appeal Decision must be issued before an individual can file a Formal Hearing appeal.

## 2019 Formal Appeals Activity



Dividend Year	Denial Overturned by OAH (Dividend Paid)	Denial Upheld by OAH (Dividend Not Paid)	Denial Withdrawn by PFDD (Paid)	Appeal Withdrawn by Applicant (Not Paid)	Total Decisions
2019	2	66	58	9	135
2018	7	74	67	6	154
2017	2	78	72	5	157

## Formal Appeals Activity Comparison



# DIVISION PROCESSING ACTIVITY

## GARNISHMENTS AND ASSIGNMENTS

### Garnishments

Under state statutes, up to 80% of a dividend may be garnished, unless by a governmental agency, which may garnish up to 100% of a dividend. Any PFD amount in excess of the total amount garnished is paid to the applicant. These garnishments will pay off debts that are owed to a variety of agencies across the state. There is a priority order for the kind of agency that will receive first option to levy garnishments. Within that priority structure, they are ordered based on the date and time stamp of submission. It is, in essence, a “first come, first serve” system within the priority order. Garnishment requests come to the PFDD directly from an agency, such as a court system or process server.

Top Ten Agency Filers	Submitted	
	Number of Requests	Amount
MUNICIPALITY OF ANCHORAGE – ANCHORAGE	137,850	\$22,953,748.33
CLERK OF COURT – ANCHORAGE	30,851	\$347,607,493.61
CHILD SUPPORT SERVICES DIVISION – ANCHORAGE	11,958	\$7,938,943.15
CITY & BOROUGH OF JUNEAU – JUNEAU	10,359	\$1,138,242.04
UNITED STATES TREASURY – INDIVIDUAL TAX – FRESNO	4,800	\$51,478,530.08
UNITED STATES TREASURY – INDIVIDUALS – PHILADELPHIA	4,222	\$149,999,021.43
CITY OF WASILLA – WASILLA	3,649	\$302,989.02
DEPARTMENT OF LABOR – JUNEAU	3,096	\$7,242,129.27
CITY OF SOLDOTNA – SOLDOTNA	2,861	\$262,102.00
UNIVERSITY OF ALASKA – ANCHORAGE	2,487	\$3,910,786.45
<b>Total of Top Ten Agencies</b>	<b>212,133</b>	<b>\$592,833,985.38</b>
<b>Total of Other Agencies</b>	<b>13,350</b>	<b>\$113,371,523.82</b>
<b>Total - All Garnishing Agencies</b>	<b>225,483</b>	<b>\$706,205,509.20</b>

Top Ten Agency Filers	Paid		
	Payments	Amount	Average
MUNICIPALITY OF ANCHORAGE – ANCHORAGE	43,172	\$5,136,487.69	\$118.98
CLERK OF COURT – ANCHORAGE	9,736	\$10,461,095.66	\$1,074.48
CHILD SUPPORT SERVICES DIVISION – ANCHORAGE	8,543	\$10,477,535.57	\$1,226.45
CITY & BOROUGH OF JUNEAU – JUNEAU	2,640	\$275,064.29	\$104.19
UNITED STATES TREASURY – INDIVIDUAL TAX – FRESNO	3,550	\$4,470,135.20	\$1,259.19
UNITED STATES TREASURY – INDIVIDUALS – PHILADELPHIA	3,328	\$4,760,052.91	\$1,430.30
DEPARTMENT OF LABOR – JUNEAU	1,711	\$1,270,019.65	\$742.27
UNIVERSITY OF ALASKA – ANCHORAGE	1,868	\$1,630,738.12	\$872.99
IRS BACKUP WITHHOLDING – ANCHORAGE	1,763	\$586,207.52	\$332.51
AK. COMM. POSTSECONDARY EDUCATION – JUNEAU	1,211	\$1,837,493.12	\$1,517.34
<b>Total of Top Ten Agencies</b>	<b>77,522</b>	<b>\$40,904,829.73</b>	
<b>Total of Other Agencies</b>	<b>5,848</b>	<b>\$3,046,190.00</b>	
<b>Total - All Garnishing Agencies</b>	<b>83,370</b>	<b>\$43,951,019.73</b>	

# DIVISION PROCESSING ACTIVITY

## Assignments

State statutes permit applicants to assign their dividend to a government agency or regional housing authority created under Alaska Statute 18.55.996. Any amount in excess of the liability due the assigned agency is paid to the applicant.

Assignments tend to be done on a “voluntary” basis where an individual wishes to utilize their upcoming PFD for a payment to a federal, state, municipal governmental agency, or to a court. Many of these assignments end up going towards housing payments for federal housing programs. Because these are assigned prior to the PFD calculation, it is the agency’s responsibility to either set an amount that they will accept for the upcoming PFD, or to have individuals assign percentages of their PFD. Individuals may assign up to 100% of their expected PFD, per AS 43.23.069(b).

Top Ten Assignees	Submitted	
	Number of Requests	Amount
CITY OF DILLINGHAM – DILLINGHAM	270	\$63,215.00
TLINGIT-HAIDA REGIONAL - JUNEAU	183	\$70,420.00
AVCP HOUSING AUTHORITY – BETHEL	169	\$47,329.10
BERING STRAITS REGIONAL HOUSING – NOME	157	\$53,873.00
MUNICIPALITY OF ANCHORAGE – ANCHORAGE	69	\$36,354.75
DEPARTMENT OF H&SS, PUBLIC ASSISTANCE – JUNEAU	40	\$0.00
AK NATIVE TRIBAL HEALTH CONSORTIUM – ANCHORAGE	38	\$5,364.99
CITY OF KODIAK – KODIAK	35	\$6,950.00
NORTHWEST INUPIAT – KOTZEBUE	29	\$0.00
CITY OF UNALAKLEET – UNALAKLEET	25	\$1,875.00
<b>Total of Top Ten Agencies</b>	<b>1015</b>	<b>\$285,381.84</b>
<b>Total of Other Agencies</b>	<b>185</b>	<b>\$56,770.37</b>
<b>Total - All Garnishing Agencies</b>	<b>1,200</b>	<b>\$342,152.21</b>

Top Ten Assignees	Paid		
	Payments	Amount	Average
TLINGIT-HAIDA REGIONAL – JUNEAU	165	\$121,862.37	\$738.56
AVCP HOUSING AUTHORITY – BETHEL	142	\$146,135.01	\$1,029.12
BERING STRAITS REGIONAL HOUSING – NOME	130	\$148,176.10	\$1,139.82
CITY OF DILLINGHAM – DILLINGHAM	72	\$18,086.23	\$251.20
MUNICIPALITY OF ANCHORAGE – ANCHORAGE	63	\$33,838.21	\$537.11
DEPARTMENT OF H&SS, PUBLIC ASSISTANCE – JUNEAU	24	\$36,427.38	\$1,517.81
AK NATIVE TIBAL HEALTH CONSORTIUM – ANCHORAGE	28	\$28,432.35	\$1,015.44
NORTHWEST INUPIAT – KOTZEBUE	24	\$36,063.44	\$1,502.64
NORTH PACIFIC RIM – ANCHORAGE	19	\$27,312.50	\$1,437.50
DEPARTMENT OF COMMERCE, DIVISION OF INVESTMENTS – JUNEAU	14	\$22,442.00	\$1,603.00
<b>Total of Top Ten Agencies</b>	<b>681</b>	<b>\$618,775.59</b>	
<b>Total of Other Agencies</b>	<b>138</b>	<b>\$144,870.56</b>	
<b>Total - All Garnishing Agencies</b>	<b>819</b>	<b>\$763,646.15</b>	

# DIVISION PROCESSING ACTIVITY

## PAYMENTS

The first dividend payment disbursement for the current dividend year begins on the first Thursday in October and continues on a monthly cycle thereafter. In 2019, payment began on October 3rd. Applicants who selected the payment method of direct deposit or electronic payment have their dividends initially sent to financial institutions for deposit into checking or savings accounts. Deposit returns from financial institutions are paid via warrant in subsequent payment runs. Warrants, more commonly known as checks, are mailed to all applicants that did not select direct deposit.

If the garnished or assigned amount is less than the dividend amount, the remaining balance will be issued to the applicant by check or direct deposit, depending on their preference.

Note:

- Payment numbers below reflect payments made through December 31, 2019 only on 2019 Dividends. (See page 20 for payments of prior-year dividends)
- The total amounts shown below include funds distributed to applicants, or to agencies through garnishments, assignments, and charitable contributions.

### Payments of 2019 Dividends through Dec. 31, 2019

	Applicants	Payment Method Percent	Total Amount
<b>Applicants Paid by Direct Deposit</b>			
Full Dividend Payment to Applicant	485,899		\$780,353,794.00
Payment to Applicant after Voluntary and/or Involuntary Deductions	64,344		\$78,625,174.00
<b>Total Number of Applicants Paid by Direct Deposit</b>	<b>550,243</b>	<b>87.13%</b>	<b>\$858,978,968.00</b>
<b>Applicants Paid by Check</b>			
Full Dividend Payment to Applicant	55,163		\$88,591,778.00
Partial Payment to Applicant- Voluntary and/or Involuntary Deductions	9,056		\$8,584,855.00
<b>Total Number of Applicants Paid by Check</b>	<b>64,219</b>	<b>10.17%</b>	<b>\$97,176,633.00</b>
<b>Applicants Paid by Combination of Direct Deposit and Check</b>			
Mixed payments, with and without deductions	10,972	1.74%	\$1,922,240.00
<b>Total 2019 Dividends to Applicants (all categories above)</b>	<b>625,434</b>	<b>99.03%</b>	<b>\$958,077,841.00</b>
Eligible Dividends Fully Reduced by Garnishments and/or Levies (Involuntary Deductions)	6,118	0.97%	\$9,825,508.00
<b>Total 2019 Dividend Paid (Including Adjustments)</b>	<b>631,552</b>	<b>100.00%</b>	<b>\$967,903,349.00</b>



# DIVISION PROCESSING ACTIVITY

## Applications Paid in 2019 for Prior Year Dividends

Prior year dividends may have been issued during 2019 for any the following reasons:

- Applications for the 2018 and previous year's dividends that were still in review or appeal at the end of calendar year 2018.
- Eligible Prior Year Applications for 18-year-old filers. Under regulation 15 AAC 23.133, an individual who has reached majority or who is an emancipated minor may apply for a prior year dividend. An individual who qualifies must meet all eligibility requirements for the respective prior year(s) and must file before the individual reaches 20 years of age. See Alaska Statute 43.23.055(3).
- Estate Applications and Applications for Disabled Adults. (These application types have an extended filing date of up to one year later than the filing deadline for the respective dividend year.)

Dividend Year	Dividends Paid	Dividend Amount	Total
2018	3,746	\$1,600.00	\$5,993,600.00
2017	341	\$1,100.00	\$375,100.00
2016	237	\$1,022.00	\$242,214.00
2015	108	\$2,072.00	\$223,776.00
2014	94	\$1,884.00	\$177,096.00
2013	77	\$900.00	\$69,300.00
2012	55	\$878.00	\$48,290.00
2011	43	\$1,174.00	\$50,482.00
2010	26	\$1,281.00	\$33,306.00
2009	31	\$1,305.00	\$40,455.00
*2008	39	\$2,069.00	\$80,691.00
2007	53	\$1,654.00	\$87,662.00
2006	51	\$1,106.96	\$56,454.96
2005	28	\$845.76	\$23,681.28
2004	44	\$919.84	\$40,472.96
2003	32	\$1,107.56	\$35,441.92
2002	20	\$1,540.76	\$30,815.20
2001	14	\$1,850.28	\$25,903.92
2000	8	\$1,963.86	\$15,710.88
1999	7	\$1,769.84	\$12,388.88
1998	7	\$1,540.88	\$10,786.16
1997	3	\$1,296.54	\$3,889.62
1996	5	\$1,130.68	\$5,653.40
1995	1	\$990.30	\$990.30
1994	1	\$983.90	\$983.90
1991	1	\$931.34	\$931.34
<b>Total</b>	<b>5,072</b>	<b>--</b>	<b>\$7,686,076.72</b>

\* Not including the one-time 2008 Resource Rebate of \$1,200.00

# DIVISION PROCESSING ACTIVITY

## Three Year Comparison of Application and Payment Statuses

Numbers shown here are historically reported as of December 31st of each respective year.

Dividend Year	2019		2018		2017	
<u>Filing Activity</u>	Total	Percent Total	Total	Percent Total	Total	Percent Total
<b>Applicants</b>						
Adult	494,458	74.08%	490,681	73.86%	490,840	73.69%
Child	173,026	25.92%	173,629	26.14%	175,207	26.31%
<b>Total</b>	<b>667,484</b>	<b>100.00%</b>	<b>664,310</b>	<b>100.00%</b>	<b>666,047</b>	<b>100.00%</b>
<b>Application Status</b>						
Eligible for Payment	633,243	94.91%	631,658	95.08%	630,697	94.69%
Denied and not in appeal	23,152	3.47%	27,188	4.09%	26,781	4.02%
Denied and in appeal	1,152	0.17%	1,187	0.18%	1,132	0.17%
In Review	9,626	1.44%	4,277	0.64%	7,437	1.12%
<b>Total</b>	<b>667,173</b>	<b>100.00%</b>	<b>664,310</b>	<b>100.00%</b>	<b>666,047</b>	<b>100.00%</b>

Note:

- Applications marked as "Fully Reduced" below included one or more of the following: donations, assignments, and/or garnishments.

Dividend Year	2019		2018		2017	
<u>Payment Status</u>	Total	Percent Total	Total	Percent Total	Total	Percent Total
Paid by Direct Deposit	550,243	82.44%	536,702	80.79%	530,067	79.58%
Paid by Warrant	64,219	9.62%	75,083	11.30%	78,281	11.75%
Paid by Multiple Methods	10,972	1.64%	11,358	1.71%	16,329	2.45%
Fully Reduced	6,118	0.92%	6,677	1.01%	5,094	0.76%
Not Paid (as of Dec. 31)	35,931	5.38%	34,490	5.19%	36,276	5.45%
<b>Total</b>	<b>667,483</b>	<b>100.00%</b>	<b>664,310</b>	<b>100.00%</b>	<b>666,047</b>	<b>100.00%</b>

# DIVISION PROCESSING ACTIVITY

## CRIMINAL INVESTIGATIONS

Reports of suspected or potential fraud against the Permanent Fund Dividend program are all reviewed as they are received by the Department of Revenue's Criminal Investigations Unit. An investigation typically is opened where initial information, such as a fraud tip, is supported by additional information available from another source. This standard helps to ensure that erroneous information does not result in withholding of dividends from eligible applicants. There are many factors considered in determining whether investigations are ultimately resolved internally by the PFD Division ("Administrative" cases) or submitted for prosecution in court ("Criminal" cases). The CIU unit does *not* evaluate PFD program eligibility.

A given case may encompass or pertain to more than one PFD Application. For example, if the application of an Adult Sponsor is being investigated, his or her sponsored Child Applications may be included as part of the case. Both metrics are reported here.

CIU-PFD Activity Related to Active Investigations & Monitoring	2019	2018	2017	2016
Carry Over from Previous Year	275	607	455	581
# of Criminal Cases > 12 Months Old	157			
Fraud Tips Received	513	739	696	765
Total Caseload				
Resolution Status (Administrative)				
Not yet screened	0	0	0	0
No Fraud Found-cleared	459	356	379	540
Fraud Found-Remanded	58	130	149	129
Fraud Found-To OSP	15	19	16	18
Resolution Status (Criminal)				
Non-criminal Settlement at OSP	0	1	3	0
Acquittals	0	0	0	1
Convictions	15	13	16	30
Recovery				
Criminal Restitution Ordered	\$84,332.00	\$71,832.00	\$91,469.12	\$290,720.52
Criminal Settlements Received	\$34,972.00	\$9,386.00	\$21,188.00	\$6,156.00
Loss Due to Statute of Lim	\$0.00	\$0.00	\$1,174.00	\$7,686.00
Pending Resolution				
Admin Recovery	\$209,292	\$660,130.12	\$673,286.56	\$862,138.75
Criminal Recovery	\$84,332	\$71,832.00	\$90,295.12	\$189,870.24

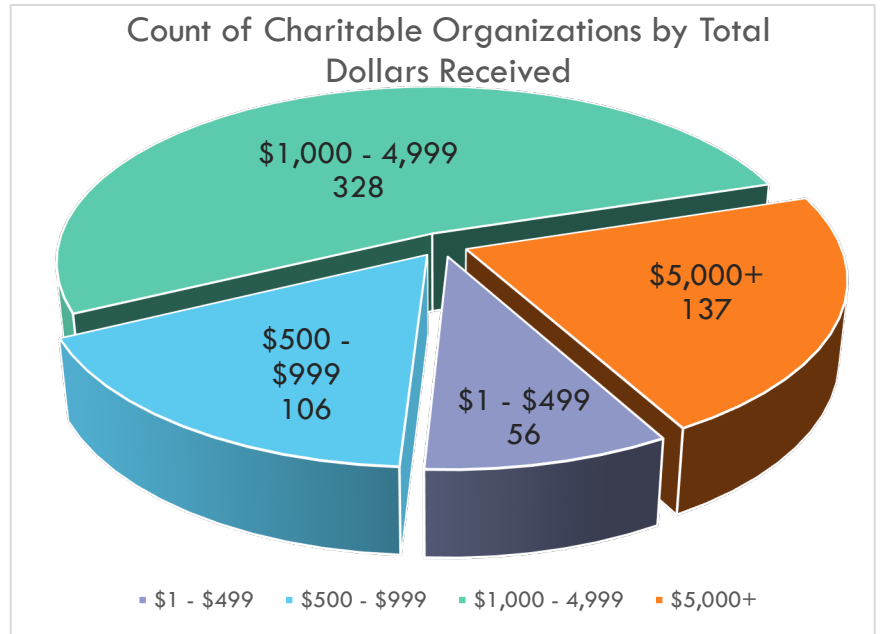
# VOLUNTARY PROGRAMS

## Voluntary Programs

### PICK.CLICK.GIVE.

In 2009, the PFDD implemented a three-year charitable giving pilot program, Pick.Click.Give., authorized by the Alaska Legislature per statute AS 43.23.062. In 2012, it became a permanent addition to the PFD online application process.

Initially funded by the Rasmuson Foundation, managed by Alaska Community Foundation, the program allows an applicant to electronically pledge all or a portion of their dividend to eligible Alaskan nonprofit organizations. "The program goal is to increase individual charitable giving overall, along with increasing the number of new donors to nonprofit organizations." Additional information regarding the program can be found at [www.pickclickgive.org](http://www.pickclickgive.org).



Applicants are allowed to add or withdraw pledges until August 31<sup>st</sup> of each year. Pledge amounts may be reduced by other garnishments or assignments that take priority. An ineligible applicant pledge would also not be paid. Hence, the actual contributed amount is generally lower than the amounts pledged during the application period.

Amount pledged vs amount paid	
Total Dollars Pledged By Applicants	\$3,286,625.00
Pledges Withdrawn	(\$276,725.00)
<b>Net Total Dollars Pledged</b>	<b>\$3,009,900.00</b>
<b>Total Dollars Paid to Organizations</b>	<b>\$2,812,589.04</b>

### Charitable Contributions Appeals

Alaska Community Foundation, which acts as the Department of Revenue's "agent", determines if an organization is eligible or ineligible to be included in the charitable contribution list. If the organization is ineligible to be included in the charitable contribution list for the following year's Permanent Fund Dividend electronic application, the organization is issued a denial letter explaining the reasons they are not eligible. The organization has 15 days from the date of the denial letter to file an appeal explaining and supporting their position. PFD Division Appeals Specialists prepare the case for a formal hearing and the case is heard by an Administrative Law Judge with the Office of Administrative Hearings (OAH). Alaska Community Foundation does not participate in the appeal process. Alaska Community Foundation only determines initial eligibility according to state law as the Department of Revenue's agent. There is no fee to file an appeal for inclusion in the PFD Charitable Contribution list on the PFD Electronic Application.

# VOLUNTARY PROGRAMS

## UNIVERSITY OF ALASKA'S "ALASKA 529 PLAN"

**\*\*Formerly known as UA College Savings Program\*\***

In 1990, legislation passed that established the Alaska Education Trust Fund (AS 14.40.807) which authorized an applicant to contribute fifty percent of their dividend to the fund for education. In 1991, the name of the fund was changed to the Advance College Tuition (ACT) Payment Fund. The ACT option first appeared on the 1991 dividend applications.

In the fall of 2001, the University of Alaska developed the UA College Savings Plan program as the main program for which contributions can be made toward advanced college tuition costs. The UA College Savings Plan, now known as the Alaska 529 Plan, provides various investment strategies to individuals making contributions. Additional information regarding the plan can be found at <https://www.alaska529plan.com/>.

YEAR	APPLICANTS	TOTAL CONTRIBUTIONS
2019	12,605	\$10,087,251.68
2018	13,820	\$11,009,586.28
2017	13,647	\$7,473,899.38
2016	13,573	\$6,905,860.93
2015	13,593	\$14,015,930.73
2014	12,998	\$12,174,958.02
2013	12,173	\$5,442,842.99
2012	11,214	4,892,579.86
2011	9,642	5,611,270.33
2010	9,032	5,748,649.82
2009	7,910	5,012,962.90
2008	8,766	9,050,096.40
2007	8,495	6,991,936.59
2006	7,847	4,322,765.60
2005	7,482	3,150,343.08
2004	6,601	3,020,373.59
2003	5,667	3,121,888.81
2002	5,094	3,901,412.29
2001	4,464	4,107,056.79
2000	3,766	3,681,902.17
1999	3,663	3,225,384.06
1998	3,468	2,655,048.28
1997	4,426	2,861,877.87
1996	4,945	2,790,779.51
1995	5,405	2,670,684.24
1994	5,905	2,897,904.88
1993	5,925	2,806,199.41
1992	5,490	2,507,537.40
1991	5,018	2,329,943.62
<b>Total</b>	<b>232,634</b>	<b>\$203,468,927.51</b>

# VOLUNTARY PROGRAMS

## DIVIDEND RAFFLE

In 2018, legislation was passed that established the Dividend Raffle Fund (AS 43.23.230), making 2019 the first year adult applicants could pledge a portion or all of their PFD, in increments of \$100, towards the dividend raffle fund. Each \$100 pledge provides the applicant with an entry into the Dividend Raffle. Multiple pledges provides applicants with multiple opportunities to win. Applicants are only able to make pledges while completing their online PFD application. Pledges cannot be added or removed after the individual filing process is complete, and applicants must be at least 18 years or older to participate. The number of pledges that an individual chooses on their application may be reduced by other garnishments or assignments that take priority, and an ineligible applicant pledge would also not be paid. Because of this, the actual contributed amount is generally lower than the amounts pledged during the application period. Of the total pledge funds actually contributed in a year, the legislature will appropriate 50% of these funds to the Department of Education and Early Development (DEED) for distribution as supplemental grants to school districts, 25% to the education endowment fund, established in AS 43.23.220, and the remaining 25% to the dividend raffle fund to be used to pay 4 winners of the dividend raffle and to help bolster the dividend raffle fund for subsequent years.

### First Annual PFD Education Raffle (2019) January 28, 2020

Beginning Fund Balance - \$0.00

Cost of Entry	\$100.00 each
# of Entries	8,698
Total Proceeds	\$869,800.00

Allocation for Supplemental Grants (DEED)	\$434,900.00	50%
Allocation for Education Endowment Fund	\$217,450.00	25%
Allocation for Dividend Raffle Fund	\$217,450.00	25%

First Prize	\$17,396.00	8%
Second Prize	\$8,698.00	4%
Third Prize	\$4,349.00	2%
Fourth Prize	\$2,174.50	1%
<b>Total Prizes</b>	<b>\$32,617.50</b>	

Carryover for 2020 Raffle Fund	\$184,832.50
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# PERMANENT FUND DIVIDEND DIVISION HISTORY

## Permanent Fund Dividend Division History

### OPERATIONS ANNUAL CYCLE

The Permanent Fund Dividend Division's (PFDD) yearly cycle starts January 1, when the application period opens. Alaskans may submit an electronic or paper application for a Permanent Fund Dividend during the filing period, January 1 to March 31. Currently, the busiest times of the filing period are the month of January and the last two weeks of March, at the conclusion of the PFD filing season.

Applications received electronically are uploaded and electronically assessed. Applications, supporting documentation and signature pages received on paper are scanned and keyed into the Dividend Application Information System (DAIS) and then electronically processed.

The process of determining applicant eligibility begins as soon as applications are received by the Division. Applications flagged for further review by DAIS are assigned to eligibility technicians for evaluation primarily in one or more of the following areas: establishing residency, breaking Alaska residency ties, absences from Alaska, and/or having the intent to remain in or return to Alaska. Guided by State of Alaska Statutes and PFD Regulations, Eligibility Technicians use current or prior year applicant information when needed and contact the applicant for additional information in order to make an eligibility determination. Many cases can be resolved, however, without contacting the applicant. The current goal of the PFDD is to complete most eligibility determinations by the first Thursday in October, which is the first payment of the new dividend year.

As of March 1<sup>st</sup>, 2017, the PFD application will serve as a voter registration for the State of Alaska. Every individual who submits a completed PFD application that also meets the criteria of the Division of Elections for an eligible voter, will be registered. Elections will send out an "opt out" notice that requires an individual to fill out and return to Elections within 30 days of receipt in order to NOT be registered.

In July, the Division's data processing and payment teams confirm applicant supplied direct deposit information through our approved financial institutions in a process called the *pre-note*. This process allows the division to verify account information accuracy and successfully process the highest percentage of requested direct deposits. The PFDD calculates the dividend amount and provides it to the Governor's office, which arranges to announce the PFD dollar amount in mid to late September.

Mid-September through the end of October is considered payment season for the Division and is a busy time for public contact. During this time, most of our eligibility technicians are assigned to payment support via phone, in-person or email.

During late November and early December, the Division focuses on finishing the remaining work of eligibility determinations, as well as preparations for the next filing season and training. It is during this time that the Division often sees a rise in appeals for denied applications. Applicants that disagree with an eligibility determination have 30 days from the denial decision date to file an appeal. Appeals are worked on a first come, first served basis.

Throughout the year the Department of Revenue's Criminal Investigation Unit investigates hundreds of applications for potential PFD fraud based on tips from the public and information received from federal, state, and municipal agencies. Additionally, the Division conducts focused audits and investigates information that is obtained through the Division's internal processes, including anomalies noted in processing applications.

The PFDD has made great strides in applicant data processing as well as bringing communication technology, such as the website and phone systems, current with industry standards. We are continuing to offer more services on our myPFD applicant portal to assist Alaskans in a smooth, efficient application experience!

# PERMANENT FUND DIVIDEND DIVISION HISTORY

## FIVE YEAR DIVIDEND CALCULATION

The dividend amount is calculated annually. The amount of the dividend is calculated by multiplying the amount available for distribution, as determined by the Legislature (for 2019 this amount was \$1,606 per person) by the estimated amount of individuals that will become eligible for the PFD. This amount will be requested by the PFD division from the AK Permanent Fund Corporation (APFC) earnings account, and a transfer will be made. For 2019's dividend amount, the calculation was not based on the statutory formula under Alaska Statute 43.23.025.

### Notes:

- The 2016, 2017, 2018, and 2019 Permanent Fund Dividends did not utilize the Statutory Net Income formula.
- Dividend amounts are rounded to an even amount to result in an even half-amount for applicants who designate fifty percent of their dividend be contributed to the UA College Savings program (AS 14.40.807).

### Dividend Calculation

Dividend Year	2019	2018	2017	2016	2015
PFD Fund Balance as of Calculation Date	\$(250,000.00)	\$41,554,298.20	\$17,552,937.57	\$11,033,944.56	\$11,488,175.55
Add Permanent Fund Earnings (5-year average)	\$1,061,565,174.87	\$1,020,510,000.00	\$725,950,000.00	\$695,650,000.00	\$1,324,794,615.81
Less Appropriations and Reductions					
Appropriations ( <i>see below</i> )	\$(47,191,700.00)	\$(38,619,600.00)	\$(38,557,000.00)	\$(48,363,100.00)	\$(48,307,100.00)
Reductions ( <i>see below</i> )	\$(735,047.59)	\$(647,947.27)	\$(673,377.31)	\$(480,761.79)	\$(854,454.05)
Total Appropriations and Reductions	\$(47,926,747.59)	\$(39,267,547.27)	\$(39,230,377.31)	\$(48,843,861.79)	\$(49,161,554.05)
Total Amount Available for Dividends	\$1,013,388,427.28	\$1,022,796,750.93	\$704,272,560.26	\$657,840,082.77	\$1,335,428,337.31
Estimated Eligible Applicants	631,001	639,247	640,245	643,678	644,511
<b>Dividend Amount</b>	<b>\$1,606.00</b>	<b>\$1,600.00</b>	<b>\$1,100.00</b>	<b>\$1,022.00</b>	<b>\$2,072.00</b>



## PERMANENT FUND DIVIDEND DIVISION HISTORY

### Appropriations and Reductions Detail

Appropriations	2019	2018	2017	2016	2015
Department of Health and Social Services	\$17,939,700.00	\$17,724,700.00	\$17,724,700.00	\$17,724,700.00	\$17,724,700.00
(Hold-harmless provision for public assistance programs)					
Department of Corrections	\$18,807,600.00	\$11,493,400.00	\$11,591,000.00	\$20,236,900.00	\$20,830,400.00
Department of Revenue, PFD Division	\$8,329,400.00	\$8,323,000.00	\$8,218,800.00	\$8,990,100.00	\$8,241,900.00
Department of Administration					
Violent Crimes Compensation Board	\$2,115,000.00	\$1,078,500.00	\$1,022,500.00	\$1,411,400.00	\$1,510,100.00
<b>Total Appropriations</b>	<b>\$47,191,700.00</b>	<b>\$38,619,600.00</b>	<b>\$38,557,000.00</b>	<b>\$48,363,100.00</b>	<b>\$48,307,100.00</b>

Reductions	2019	2018	2017	2016	2015
Reserve for Prior Year Dividend Liabilities	\$297,051.39	\$223,817.27	\$180,335.59	\$233,438.95	\$255,218.83
Reserve for 18-year-old Filers	\$391,996.20	\$378,130.00	\$447,041.72	\$201,322.84	\$553,235.22
Reserve for 2008 Resource Rebate Payments	\$46,000.00	\$46,000.00	\$46,000.00	\$46,000.00	\$46,000.00
<b>Total Reductions</b>	<b>\$735,047.59</b>	<b>\$647,947.27</b>	<b>\$673,377.31</b>	<b>\$480,761.79</b>	<b>\$854,454.05</b>

# CONTACT INFORMATION

## Contact Information

For general information visit us at [www.pfd.alaska.gov](http://www.pfd.alaska.gov).

You can track your application and requested documents by clicking the following button on our website.

**myPFD**

You can also request information via email to:

[dor.pfd.info@alaska.gov](mailto:dor.pfd.info@alaska.gov)

To report a fraud tip e-mail:

[pfdfraud@alaska.gov](mailto:pfdfraud@alaska.gov) or call (907) 465-2654

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### FAIRBANKS CHENA BUILDING



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