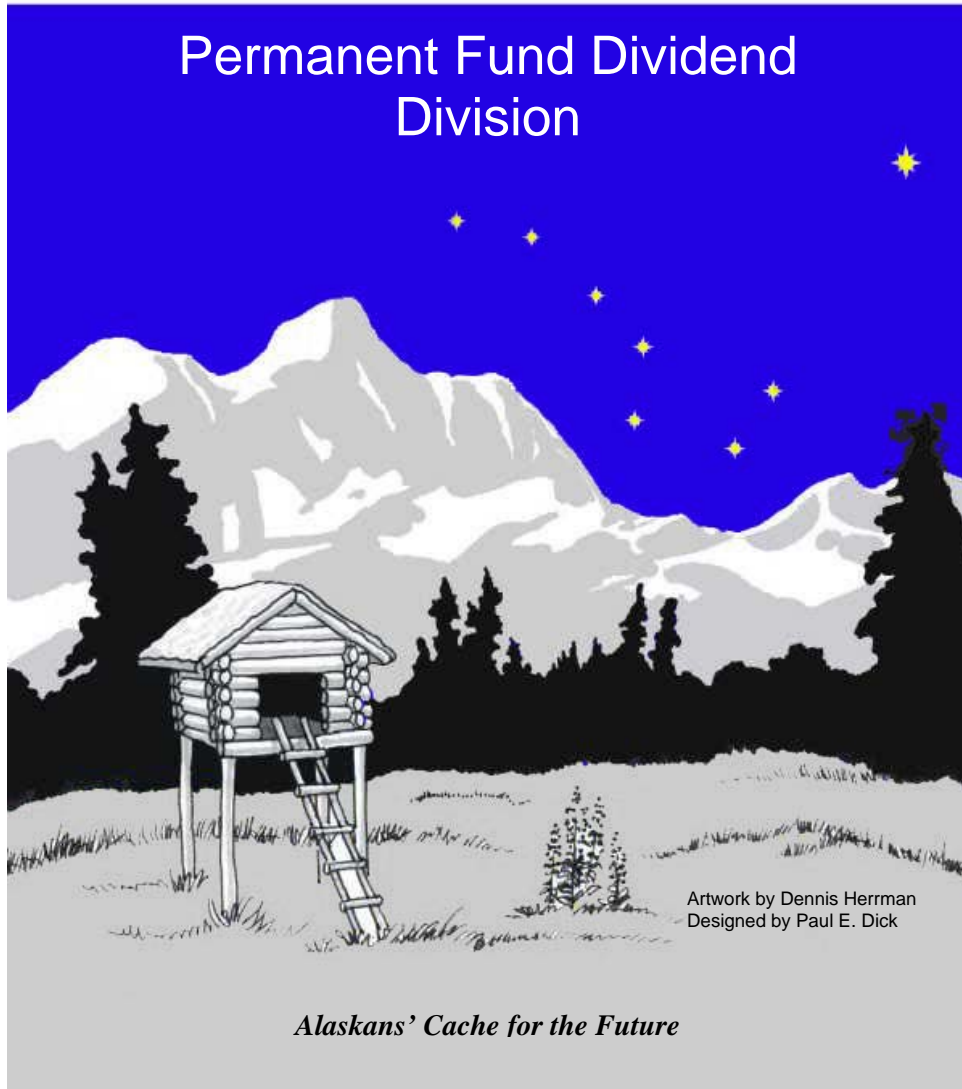


# State of Alaska Department of Revenue

## Permanent Fund Dividend Division



*Alaskans' Cache for the Future*

## 2006 Annual Report

*This report is available on the Internet*

[www.pfd.state.ak.us](http://www.pfd.state.ak.us)

# ***Permanent Fund Dividend 2006 Annual Report***

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## Executive Summary Section

This section provides an overview of highlights and accomplishments of the dividend program and the PFD Division for 2006. It includes the dividend calculation and dividend activity for 2006 in comparison with prior year activity. This section also summarizes new Permanent Fund Dividend legislation enacted into law in 2006.

Detailed data and information specific to dividend activities are included in other sections of this report.

## 2006 In Retrospect

The PFD program continued to focus on achieving the division's goals of paying all eligible Alaskans on the scheduled payment dates, accomplishing this work as cost effectively as possible, and maintaining the highest possible level of customer service. The most significant changes are highlighted below:

- **Banner year for online filing.** A total of 357,119 Alaskans (57% of all applications filed) applied online for the 2006 dividend. Of those, 64.5% used the e-signature option. Alaskans' increased familiarity with the internet, the improvements by the state to the online application process and the application incentive marketing efforts all contributed to a whopping 59% increase in applications filed online.
- **Audit investigations produce results.** Audits in 2006 resulted in \$1.6 million not being distributed to (or being recovered from) individuals who did not disclose information in their application for the dividend. The increase was in large part to the division's refinement of the Out-of-State Internet Provider audit that identified over 700 additional fraudulent applications. Fraud tips and the resulting withholding and recovery of dividends decreased a bit in 2006. The overall outcome from the division's fraud and audit investigations was eight indictments in state or federal court, 36 civil actions, and the recovery/non-release of approximately \$2.6 million.
- **Civil fines for individuals who do not tell the truth.** A 2006 regulation gave the division the authority to impose a civil fine, without going to court, when individuals willfully misrepresent, exercise gross negligence, or recklessly disregard a material fact pertaining to eligibility. Fines will be based on the costs incurred by the department for investigating and processing false claims made in the pursuit of a dividend. Costs incurred by the department are such things as personal services (labor), travel, and research fees.
- **Optical character recognition a success.** Use of optical character recognition (OCR) was implemented for all forms generated by the division. Over 53% of the one million documents associated with the 2006 application cycle were electronically linked. When these forms were returned to the division by an applicant, the computer recognized the kind of form and linked it properly to the applicant file, reducing manual processing of half a million documents.

## New Legislation

The 2006 legislature passed one bill that relates to the dividend program. Following is a brief summary of the bill. The full text can be accessed through the Alaska Legislature's web site at [www.legis.state.ak.us/basis/start.asp](http://www.legis.state.ak.us/basis/start.asp).

**SB 104 (Ch 42 SLA 2006) – Allowable Absence.** This bill recognizes serving as a volunteer in the federal peace corps program and training or competing as a member of the United States Olympic team as allowable absences. *AS 43.23.008(a)(14)-(15)*

**Application Period.** Beginning with the 2007 dividend, this bill changes the application filing period to January 1 through March 31. The previous start of the application filing period was January 2. The establishment of online filing allows the division to receive electronically filed applications on New Year's Day. *AS 43.23.011(a)*

**Penalties and Enforcement.** This bill authorizes the department to assess penalties of forfeiture of the dividend, imposition of a civil fine of up to \$3,000 and loss of eligibility to receive the next five dividends following the forfeited dividend in cases where the department finds that an individual who in claiming a dividend or certifying another person's eligibility for a dividend, willfully misrepresents, exercises gross negligence with respect to or reckless disregards a material fact pertaining to PFD eligibility. *AS 43.23.035(c)*

This bill also instructs that once all appeals related to the denial of a permanent fund dividend are exhausted, or the time when all of the appeals that could have been taken has expired, the order issued imposing a civil fine, forfeiture or loss of eligibility becomes final and enforceable in the same manner as a judgment of the court. Both penalties and enforcement provisions of this bill are effective for applications filed on or after July 1, 2006. *AS 43.23.035(e)*

**Establishment of a fraud investigation unit.** This bill authorizes the department to establish a fraud investigation unit for the purpose of assisting the commissioner and the Department of Law to detect and investigate the improper claiming or paying of a dividend. *AS 43.23.055(10)(A)-(B)*

## 2006 Dividend Calculation

Calculated September 18, 2006

### Amount Available for Dividends

<b>FY 06 PFD Fund Beginning Balance</b>	<b>\$ 7,884,755.21</b>	
Expenditures to date	(92,441.11)	
Amount Collected from Assessments of Prior Year Dividends	53,814.07	
<b>PFD Fund Balance as of September 18, 2006</b>		\$ 7,846,128.17
<b>Transfer from Permanent Fund Corporation</b>		
Permanent Fund Earnings (5-year average)	688,618,494.56	
Less Appropriations (see below)	(27,992,300.00)	
<b>Net Transfer from Permanent Fund Corporation</b>		660,626,194.56
<b>Reductions (see below)</b>		(1,693,181.89)
<b>Total Amount Available for Dividends</b>		<b>\$666,779,140.84</b>

### Total estimated number of eligible applicants: 602,350

The Department of Revenue uses an estimate because some applications are in review or incomplete as of the dividend calculation date. A number of these applications will be determined as payable after review or when applicants submit information needed to determine their eligibility. Also, some application types have extended filing due dates until March 31, 2007, such as estate and disabled applicants.

<b>Dividend Calculation</b>	<b>\$666,779,140.84</b>	=	<b>\$1,106.96</b>
	602,350		

### Appropriations and Reductions Detail

#### Appropriations

Department of Health and Social Services (Hold Harmless)	\$12,884,700.00	
Department of Corrections	4,552,400.00	
Department of Revenue Administrative Cost		
Administrative Cost	6,471,500.00	
DOA/OAH Increase (FY 06 Supplemental)	49,900.00	
DOA/ETS Cost Increase	55,200.00	
Computer Replacement Project	125,000.00	
Total Department of Revenue, PFD Division	6,701,600.00	
Department of Public Safety		
Council on Domestic Violence & Sexual Assault	2,777,500.00	
Department of Administration		
Violent Crimes Compensation Board	782,400.00	
Alaska State Legislature - Office of Victims' Rights	293,700.00	
<b>Total Appropriations</b>		<b>27,992,300.00</b>

#### Reductions

Reserve for Prior-Year Dividend Liabilities	905,454.76	
Reserve for 18-Year-Old Filings for Prior Years	787,727.13	
<b>Total Reductions</b>		<b>1,693,181.89</b>

<b>Total Appropriations and Reductions Detail</b>		<b>\$29,685,481.89</b>
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## Five-Year History of Dividend Calculations

Dividend Calculation	2006	2005	2004	2003	2002
Dividend Fund Balance as of Calculation Date <sup>1</sup>	\$ 7,846,128.17	\$ 5,798,386.03	\$ 3,608,113.93	\$ 7,110,446.54	\$ 15,227,909.32
Add Permanent Fund Earnings	688,618,494.56	532,131,677.69	581,245,966.80	690,658,806.69	925,805,851.87
<b>Less Appropriations and Reductions</b>					
Appropriations (see below)	(27,992,300.00)	(26,928,100.00)	(31,147,400.00)	(33,594,400.00)	(28,353,200.00)
Reductions (see below)	(1,693,181.89)	(940,085.43)	(1,101,300.29)	(953,757.95)	(1,263,307.56)
<b>Total Appropriations and Reductions</b>	<b>(29,685,481.89)</b>	<b>(27,868,185.43)</b>	<b>(32,248,700.29)</b>	<b>(34,548,157.95)</b>	<b>(29,616,507.56)</b>
<b>Total Amount Available for Dividends</b>	<b>\$666,779,140.84</b>	<b>\$510,061,878.29</b>	<b>\$552,605,380.44</b>	<b>\$663,221,095.28</b>	<b>\$911,417,253.63</b>
Estimated Eligible Applicants	602,350	603,080	600,760	598,813	591,537
<b>Dividend Amount<sup>2</sup></b>	<b>\$1,106.96</b>	<b>\$845.76</b>	<b>\$919.84</b>	<b>\$1,107.56</b>	<b>\$1,540.76</b>

<sup>1</sup> Dividend amounts are calculated in mid-September to coincide with the Alaska Permanent Fund Corporation's annual meeting.

<sup>2</sup> Dividend amounts are rounded to an even amount to allow even division when computing the 50% University of Alaska College Savings Plan check-off option as provided under AS 14.40.807.

## Appropriations and Reductions Detail

## Appropriations

Department of Health and Social Services (hold-harmless provision for public assistance recipients)	\$12,884,700.00	\$12,884,700.00	\$15,949,900.00	\$15,405,500.00	\$13,007,900.00
Department of Corrections	4,552,400.00	4,237,800.00	5,092,400.00	6,895,400.00	4,257,900.00
Department of Revenue PFD Division	6,701,600.00	6,104,900.00	5,794,300.00	5,444,100.00	5,244,700.00
Department of Public Safety					
Council on Domestic Violence & Sexual Assault	2,777,500.00	2,585,600.00	3,107,000.00	4,008,800.00	4,004,800.00
Batterers Intervention Program	0.00	0.00	0.00	200,000.00	200,000.00
<b>Total Department of Public Safety</b>	<b>2,777,500.00</b>	<b>2,585,600.00</b>	<b>3,107,000.00</b>	<b>4,208,800.00</b>	<b>4,204,800.00</b>
Department of Administration					
Violent Crimes Compensation Board	782,400.00	728,300.00	875,200.00	1,178,400.00	1,175,700.00
Office of Administrative Hearings	0.00	113,400.00	0.00	0.00	0.00
	<b>782,400.00</b>	<b>841,700.00</b>	<b>875,200.00</b>	<b>1,178,400.00</b>	<b>1,175,700.00</b>
Alaska State Legislature - Office of Victims' Rights	293,700.00	273,400.00	328,600.00	462,200.00	462,200.00
<b>Total Appropriations</b>	<b>\$27,992,300.00</b>	<b>\$26,928,100.00</b>	<b>\$31,147,400.00</b>	<b>\$33,594,400.00</b>	<b>\$28,353,200.00</b>

## Reductions

Reserve for Prior-Year Dividend Liabilities	905,454.76	587,834.55	881,464.06	502,207.72	1,024,643.51
Reserve for 18-year-old Filers	787,727.13	352,250.88	219,836.23	451,550.23	238,664.05
<b>Total Reductions</b>	<b>\$1,693,181.89</b>	<b>\$940,085.43</b>	<b>\$1,101,300.29</b>	<b>\$953,757.95</b>	<b>\$1,263,307.56</b>

## Comparison of Application and Payment Status

	2006		2005		2004	
	Total	% Total	Total	% Total	Total	% Total
<b><u>Applicants</u></b>						
Adult	445,051	71.40%	444,726	70.91%	441,959	70.71%
Child	178,234	28.60%	182,479	29.09%	183,113	29.29%
<b>Total</b>	<b>623,285</b>	<b>100.00%</b>	<b>627,205</b>	<b>100.00%</b>	<b>625,072</b>	<b>100.00%</b>
<b><u>Application Status</u></b>						
Eligible for Payment	592,622	95.08%	594,804	94.83%	598,378	95.73%
Denied	26,834	4.31%	28,939	4.61%	25,166	4.03%
In Review	1,191	0.19%	2,174	0.35%	351	0.06%
In Appeal	2,539	0.41%	1,156	0.18%	1,060	0.17%
Incomplete Application	49	0.01%	107	0.02%	89	0.01%
Assessed for Repayment	50	0.01%	25	0.00%	28	0.00%
<b>Total</b>	<b>623,285</b>	<b>100.00%</b>	<b>627,205</b>	<b>100.00%</b>	<b>625,072</b>	<b>100.00%</b>
<b><u>Payment Status</u></b>						
Paid by Direct Deposit						
Full Dividend	445,044	71.40%	431,108	68.73%	420,442	67.26%
Partial Dividend <sup>1</sup>	22,430	3.60%	18,625	2.97%	19,127	3.06%
Paid by Warrant						
Full Dividend	94,995	15.24%	120,013	19.13%	123,141	19.70%
Partial Dividend <sup>1</sup>	8,706	1.40%	7,482	1.19%	12,866	2.06%
Fully Garnisheed	20,819	3.34%	18,377	2.93%	22,802	3.65%
Not Paid	31,291	5.02%	31,600	5.04%	26,694	4.27%
<b>Total</b>	<b>623,285</b>	<b>100.00%</b>	<b>627,205</b>	<b>100.00%</b>	<b>625,072</b>	<b>100.00%</b>

<sup>1</sup>Applications which were partially assigned and/or garnisheed.

**Note:** Some applications in appeal and review status were not complete as of the print date of this report. They will be processed and determined as acceptable for payment or denied in 2007. Years 2004 and 2005 are reported historically: fixed at the time of their associated annual reports.

**3,920** fewer applications were filed for the current year dividend in 2006 then in 2005.

Number of applicants who have received all 25 dividends since program inception (1982): **108,771**

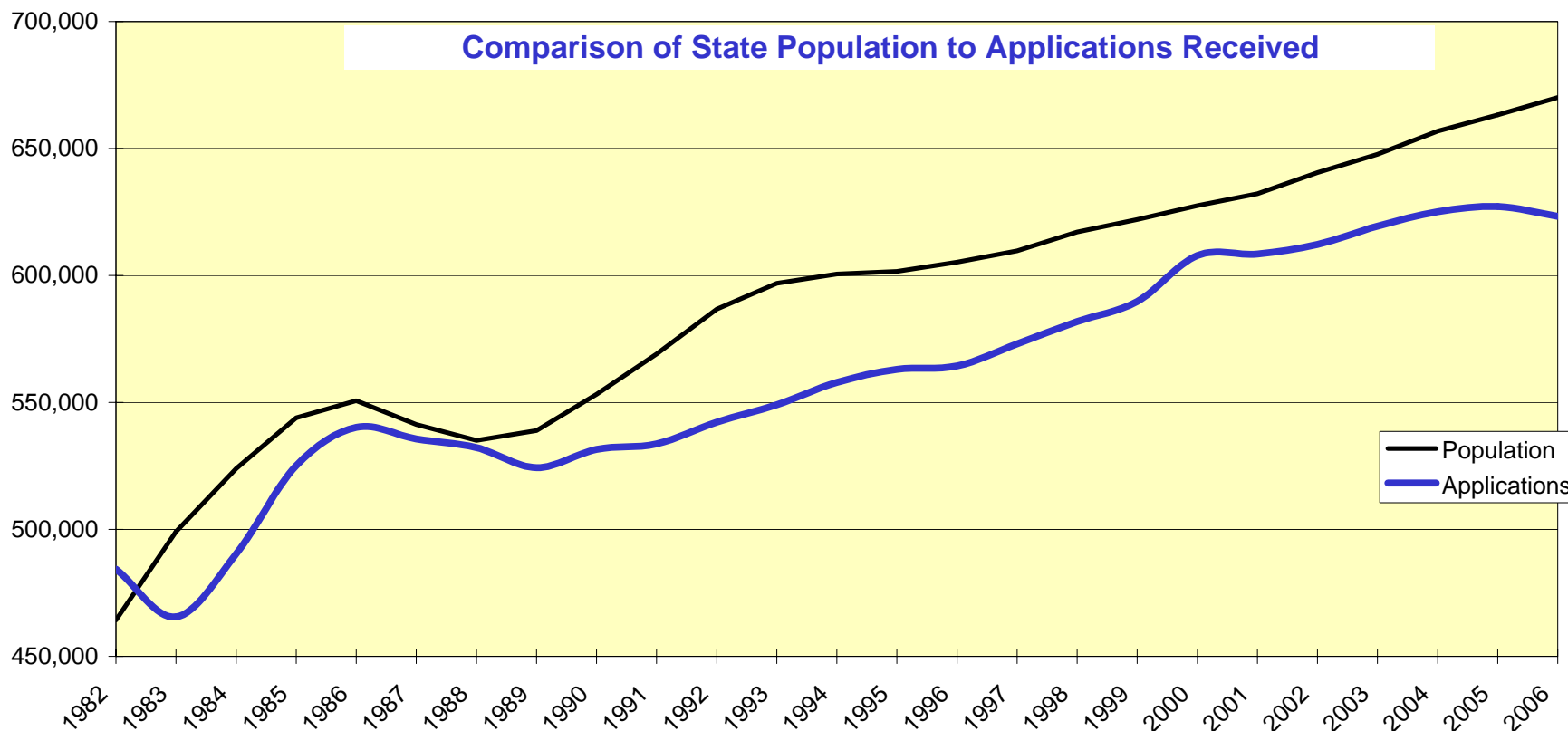
The 2005 Annual Report listed 98,034 applicants having received all 24 dividends. The actual number of applicants receiving all 24 dividends from 1982-2005 is 113,772.



### Historical Summary of Dividend Applications and Payments

Dividend Year	State Population	Dividend Applications		Dividend Amount	Amount Disbursed
		Received	Paid		
2006	670,053	623,285	591,965	\$1,106.96	\$655,281,576.40
2005	663,253	627,525	596,837	\$845.76	\$504,780,861.12
2004	656,834	625,487	599,233	\$919.84	\$551,198,482.72
2003	647,747	619,529	595,552	\$1,107.56	\$659,609,573.12
2002	640,544	612,343	589,390	\$1,540.76	\$908,108,536.40
2001	632,241	608,582	586,208	\$1,850.28	\$1,084,648,938.24
2000	627,533	607,896	583,077	\$1,963.86	\$1,145,081,597.22
1999	622,000	589,856	572,841	\$1,769.84	\$1,013,836,915.44
1998	617,082	581,894	565,217	\$1,540.88	\$870,931,570.96
1997	609,655	573,139	554,721	\$1,296.54	\$719,217,965.34
1996	605,212	564,467	546,069	\$1,130.68	\$617,429,296.92
1995	601,581	563,114	541,894	\$990.30	\$536,637,628.20
1994	600,622	557,928	534,645	\$983.90	\$526,037,215.50
1993	596,906	549,131	527,976	\$949.46	\$501,292,092.96
1992	586,722	542,331	522,656	\$915.84	\$478,669,271.04
1991	569,054	533,750	512,109	\$931.34	\$476,947,596.06
1990	553,171	531,557	497,614	\$952.63	\$474,042,024.82
1989	538,900	524,338	507,575	\$873.16	\$443,194,187.00
1988	535,000	532,271	518,150	\$826.93	\$428,473,779.50
1987	541,300	535,601	529,491	\$708.19	\$374,980,231.29
1986	550,700	540,216	532,306	\$556.26	\$296,100,535.56
1985	543,900	525,148	518,480	\$404.00	\$209,465,920.00
1984	524,000	490,414	481,348	\$331.29	\$159,465,778.92
1983	499,100	465,569	457,206	\$386.15	\$176,550,096.90
1982	464,300	484,344	469,738	\$1,000.00	\$469,738,000.00
<b>Total</b>		<b>14,009,715</b>	<b>13,532,298</b>	<b>\$25,882.41</b>	<b>\$14,281,719,671.63</b>

Source: Dividend statistics were obtained from the Permanent Fund Dividend Division's Application and Payment Status report as of January 2007. Population statistics were obtained from the Alaska Department of Labor. The number of Dividends Paid and Disbursed takes into account those assessed.



Year	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
<b>Population</b>	464,300	499,100	524,000	543,900	550,700	541,300	535,000	538,900	553,171	569,054	586,722	596,906	600,622	601,581	605,212	609,655	617,082	622,000
<b>Applications</b>	484,344	465,569	490,414	525,148	540,216	535,590	532,241	524,294	531,515	533,710	542,285	549,095	557,874	563,052	564,411	573,089	581,837	589,778

Year	2000	2001	2002	2003	2004	2005	2006
<b>Population</b>	627,533	632,241	640,544	647,747	656,834	663,253	670,053
<b>Applications</b>	607,823	608,504	612,258	619,446	625,072	627,205	623,285

**Notes**

- 1) Population generally exceeds number of applications because applicants must be a resident for at least an entire year before they may qualify for a dividend.
- 2) The number 1982 applications represents accumulated data from 1979 through 1982, the first year that dividends were paid. Dividends were not paid prior to 1982 because of litigation challenging residency requirements of the dividend statutes in effect at the time.

Population statistics were obtained from the Alaska Department of Labor and include its revised estimates of the 2000 - 2006 population .

### History of Dividend Amounts

Year	Dividend Amount	Increase (Decrease)	Year	Dividend Amount	Increase (Decrease)	Year	Dividend Amount	Increase (Decrease)
*1980			1990	952.63	9.10%	2000	1,963.86	10.96%
*1981			1991	931.34	-2.23%	2001	1,850.28	-5.78%
1982	\$1,000.00		1992	915.84	-1.66%	2002	1,540.76	-16.73%
1983	386.15		1993	949.46	3.67%	2003	1,107.56	-28.12%
1984	331.29	-14.21%	1994	983.90	3.63%	2004	919.84	-16.95%
1985	404.00	21.95%	1995	990.30	0.65%	2005	845.76	-8.05%
1986	556.26	37.69%	1996	1,130.68	14.18%	2006	1,106.96	30.88%
1987	708.19	27.31%	1997	1,296.54	14.67%			
1988	826.93	16.77%	1998	1,540.88	18.85%			
1989	873.16	5.59%	1999	1,769.84	14.86%			
<b>1980s</b>	<b>\$5,085.98</b>		<b>1990s</b>	<b>\$9,577.44</b>		<b>2000s</b>	<b>\$9,335.02</b>	
				<b>Total Dividends:</b>	<b>\$23,998.44</b>			

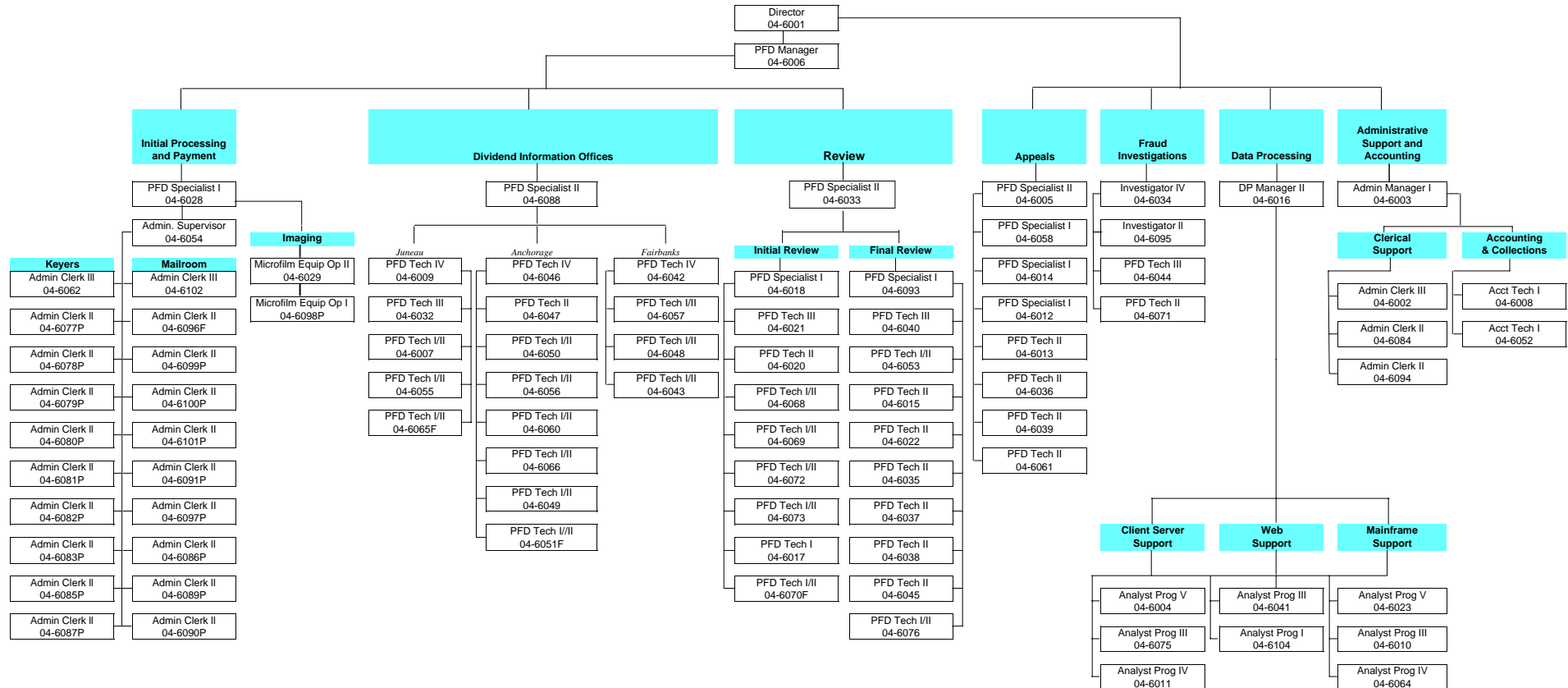
Note: 1983 dividend was the first annual dividend.

\* The 1982 dividend was for combined years 1980 through 1982.

## Organization

The Permanent Fund Dividend (PFD) Division is organized as a division within the Alaska Department of Revenue and is headquartered in Juneau. The PFD Division has dividend information offices in Anchorage, Fairbanks and Juneau. This section includes information about the division's organization and describes functions performed by the different sections within the division.

**Permanent Fund Dividend Division  
Organization Chart  
As of December 31, 2006**



Seasonal Full Time positions are designated with an "F" following the PCN number <sup>1</sup>  
 Seasonal Part Time positions are designated with an "P" following the PCN number <sup>2</sup>  
 Non-Permanent positions are designated with an "N" following the PCN number

Position Count	Permanent Full Time	Permanent Seasonal	Non-Permanent	Total
Juneau	56	21	0	77
Anchorage	9	1	0	10
Fairbanks	4	0	0	4
<b>Total</b>	<b>69</b>	<b>22</b>	<b>0</b>	<b>91</b>

<sup>1</sup> Seasonal Full Time positions consist of permanent employment more than nine and half months but less than twelve full months.

<sup>2</sup> Seasonal Part Time positions consist of permanent employment which is less than nine and half months per year.

## Key Contacts

### Director

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[Debbie\\_Richter@revenue.state.ak.us](mailto:Debbie_Richter@revenue.state.ak.us)

Home Page: [www.pfd.state.ak.us](http://www.pfd.state.ak.us)

E-mail for questions or information: [dividend\\_information@revenue.state.ak.us](mailto:dividend_information@revenue.state.ak.us)

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### Division Manager

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### Anchorage DIO

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### **Anchorage Office**

Alaska Department of Revenue  
Permanent Fund Dividend Division  
616 E Street  
Anchorage, AK 99501-3528

**Tel (907) 269-0370**

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### **Fairbanks Office**

Alaska Department of Revenue  
Permanent Fund Dividend Division  
1005 Cushman Street  
Fairbanks, AK 99701

**Tel (907) 451-2820**

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### **Juneau Office**

Alaska Department of Revenue  
Permanent Fund Dividend Division  
11th Floor, State Office Building  
PO Box 110461  
Juneau, AK 99811-0461

**Tel (907) 465-2326**

Fax (907) 465-3470

**Toll free number (800) 733-8813**

*Available year-round in Alaska*

**Dividend Fraud Hotline (907) 465-2654 or 269-0385    Email - [pfdfraud@revenue.state.ak.us](mailto:pfdfraud@revenue.state.ak.us)**

## Organization and Responsibilities

During 2006, the Permanent Fund Dividend Division was staffed by 91 positions comprised of 69 full-time and 22 seasonal positions (primarily employed for mail room and data entry work). The division is headquartered in Juneau and has public information offices in Juneau, Anchorage and Fairbanks. The division was organized into seven sections: Initial Processing and Payment, Review, Appeals, Fraud Investigations, Dividend Information Offices, Data Processing, and Administrative Support and Accounting. The division's fiscal year 2007 operating budget is \$6.7 million.

**Initial Processing and Payment (IPPS)** is responsible for (1) receiving, preparing and imaging applications and supporting documentation, and entering application and supporting information, and garnishments into the computer system; (2) coordinating all aspects of the dividend distribution processes, including direct deposit and warrant distribution; (3) coordinating and managing PFD forms and distribution. IPPS also shares responsibility for accounting for dividend payments and related transactions.

**Review Section** was formed in 2006, by merging the Initial Review and Final Review sections into one section with two units. This section's primary responsibility is determining eligibility. Review is responsible for examining applications that are incomplete or flagged by the division's computer system as requiring further attention. At the first and second stages, applications are examined and responses to computer generated requests for information are processed. At the third stage, applications which require additional contact or contain complex eligibility issues are assigned to specific employees as cases.

Applications which become cases usually involve eligibility issues in one or more of the following areas:

- Establishing residency
- Breaking Alaska residency
- Being absent from Alaska
- Intent to remain in or return to Alaska

Eligibility staff work directly with applicants to gather information needed to determine their eligibility under the dividend program. Some cases can be resolved without contacting the applicant if the applicant has already submitted sufficient information.

## Organization

**Appeals** is responsible for conducting informal conferences for applicants who disagree with their dividend denial. Appeals staff reviews each appeal and develop facts and information relating to matters in dispute by the applicant. Staff issue written decisions to applicants upon conclusion of an informal conference, which is usually conducted by written correspondence. If the applicant disagrees with the informal appeal decision, the applicant may request a formal hearing before an administrative law judge in the statewide Office of Administrative Hearings in the Department of Administration. A designated employee from Appeals represents the division at formal hearings.

**Fraud Investigations** is responsible for investigating fraud tips received from the public and other agencies throughout the year, and conducting focused audits. Investigations may result in administrative and/or criminal penalties.

**Dividend Information Offices** are responsible for assisting applicants who need help completing their applications or need information about the dividend program. Information offices are located in Anchorage, Fairbanks and Juneau.

Information office staff assists applicants in person, by telephone, and through correspondence by letter or e-mail. Staff also work with local constituent groups such as the military, native organizations, and the state Pioneers' Homes to provide information and special assistance. They also work with local media to ensure that accurate and timely information is given to the public.

**Data Processing** is responsible for developing and supporting the division's extensive mainframe, client server, imaging, and web applications. These computer applications include the online application system, document imaging, data entry and document identification, the applicant information database, and the dividend payment system.

The section is responsible for the programs that create the dividend payments. The section works with financial institutions to coordinate direct deposits to applicant accounts, and with other state agencies to coordinate printing and mailing of dividend checks.

**Administrative Support and Accounting** is responsible for providing division-wide assistance with all administrative functions including budget, human resources, supplies, accounts payable and miscellaneous clerical needs. The section also administers the collections function for erroneously or fraudulently paid dividends, and shares responsibility for accounting support for dividend payments and the reissue of warrants that have been stale dated or stop paid.



## Permanent Fund Dividend Division History

- 1976** Voters pass a constitutional amendment to establish the Permanent Fund (Alaska Constitution, Article IX, Section 15).
- 1980** First Permanent Fund dividend legislation enacted. The legislation established a program giving every adult Alaska resident \$50 for every year of residency since statehood in 1959 and also established a Dividend Fund. Payment of dividends were stayed under litigation (Zobel v Williams) challenging the constitutionality of the program.
- 1982** U.S Supreme Court ruled the 1980 legislation unconstitutional. In response to the litigation, the legislature passed legislation authorizing equal dividend payments to all six-month residents. The first dividend amount was \$1,000. The first dividend checks were distributed June 14, 1982.
- 1983** Residency period defined as 6 months ending March 31. Filing due date established as June 30.
- 1985** Hold-harmless program funding for public assistance recipients changed from General Fund to Permanent Fund Dividend Fund.
- 1986** Olympics check-off program begins. Persons allowed to donate \$5 to Alaska Winter Olympics account in General Fund.
- 1988** *January 1988* - Permanent Fund Dividend Division established. Positions with PFD responsibilities in Administrative Services (20), Enforcement (23), and Public Services (14) transferred to the new division. Enforcement and Public Services divisions eliminated.  
**57 full-time positions after transfer.**  
**32 non-permanent positions.**
- 1989** Legislature changed residency period from 6 to 24 months. Individuals banned from assigning dividends (except to government) by regulation. Felons not eligible for dividends. Physical presence requirement established. Last year for Olympics check-off.  
**57 full-time positions.**  
**54 non-permanent positions.**
- 1990** Superior Court ruled 24-month residency requirement unconstitutional and changed the residency requirement to 12 months (Lindly v Malone). Disclosure requirements established to print program costs on dividend checks.  
**59 full-time positions.**  
**56 non-permanent positions.**
- 1991** Check-off program for Advance College Tuition started. Percent of dividend subject to levy for private judgments increased from 50% to 55%. Fairbanks office closed in September 1991 (2 positions). One position each transferred to Anchorage and Juneau office. First receipt cards mailed.  
**58 full-time positions.**  
**54 non-permanent positions.**
- 1992** Individuals banned from assigning dividends (except to government agencies) by statute. Review Unit moved from Anchorage to Juneau.  
**58 full-time positions.**  
**58 non-permanent positions.**
- 1993** Direct-deposit program for full dividends established. Residency period changed to calendar year. Voter registration forms included with dividend application.  
**62 full-time positions.**  
**62 non-permanent positions.**
- 1994** Filing due date changed to March 31. Longevity Bonus Annuity check-off program began. Legislature authorizes the division to charge fee for processing claims and assignments on dividends  
**61 full-time positions.**  
**58 non-permanent positions.**
- 1995** Longevity Bonus Annuity check-off program repealed.  
**61 full-time positions.**  
**63 non-permanent positions.**
- 1996** Misdemeanants with two prior crimes not eligible for dividends.  
**59 full-time positions.**  
**62 non-permanent positions.**

## Permanent Fund Dividend Division History

- 1997** Fairbanks office re-opened February 1997 (2 positions).  
**59 full-time positions.**  
**62 non-permanent positions.**
- 1998** Internet program implemented to allow applicants to check their status online. All allowable absences defined in statutes (statutory provision for commissioner to define absences by regulation repealed). Spouses accompanying eligible residents authorized as allowable absence. Authority to file for estates (persons who die during filing period) established. Physical presence changed to 72 hours every two years (effective for 2000 dividend). Percent of dividend subject to levy for private judgment increased from 55% to 80%.  
**60 full-time positions.**  
**62 non-permanent positions.**
- 1999** On-line application implemented, but applicants required to print and sign full application. Direct-deposit program expanded to include partial dividends. Document Processing Unit night shift (17 positions) eliminated. Emergency regulations detailing alien eligibility adopted.  
**57 full-time positions.**  
**43 non-permanent positions.**
- 2000** Imaging system and new data entry system implemented January 2000. First year that applications imaged. Improved on-line Internet application implemented March 2000 (applicants required to sign signature page only). Fairbanks office moved to Cushman Street location September 1.  
**57 full-time positions.**  
**43 non-permanent positions.**
- 2001** Review and Appeals units consolidated into the Dividend Enforcement, Review and Appeals Unit. Alaska Supreme Court rules that immigrant aliens who form intent to remain in Alaska qualify for dividends.  
**63 full-time positions.**  
**30 non-permanent positions.**
- 2002** Receipt letter replaces application receipt card. Department of Health and Social Services files applications electronically. Final year securities companies participated in the direct-deposit program. Misdemeanants with one prior felony or two prior misdemeanors not eligible for dividend.  
**63 full-time positions.**  
**30 non-permanent positions.**
- 2003** Electronic signature for on-line applications implemented March 20, 2003. All review cases worked by year-end. Fraud Investigations moved from Anchorage to Juneau.  
**53 full-time positions.**  
**30 seasonal part-time positions.**
- 2004** Receipt letters eliminated. On-line application expanded to cover full application and supplemental schedule. Tri-fold direct deposit advice implemented. Selective Service registration part of the application.  
**54 full-time positions.**  
**30 seasonal part-time positions.**
- 2005** 30-day response regulation adopted. Fraud subpoena power authorized. Power of Attorney allowed for military serving outside the US. Phase I of new Applicant Information system implemented. Checks issued two weeks after DD. Applicant addresses no longer public information.  
**64 full-time positions.**  
**22 seasonal part-time positions.**
- 2006** Two Direct Deposits with early payment for online January filers. Online filing jumps to 57% of applications filed. Allowable absences for Peace Corps volunteers and members of US Olympic team restored. Initial and Final Review sections merge into Review Section. Anchorage office moves to new state phone system. Two information office positions transferred to Fairbanks.  
**73 full-time positions.**  
**18 seasonal positions.**

## Dividend Application Information

The 2006 dividend application filing season began on January 2 at 12:01 a.m. when the division's online application was made available to the public. Paper applications were delivered to every household in the state beginning January 2. Within a couple of days, thousands of applications poured into the division by mail, hand delivery and on-line. The weeks that followed were hectic and busy as the division processed the thousands of applications that were received throughout the season. By the end of the 2006 filing season, the division received 623,000 applications.

In order to complete some of the tasks that come with the application season, the division hires seasonal employees to help open mail and key information from paper applications. These employees start during the first part of January and continue their work through mid-May, when the last of the applications are data captured and processed.

This section includes data and information relating to applications received during the filing season and the remainder of the year (mostly late applications). Applicant demographics included in this section are compiled from 2006 PFD application data.

## 2006 Dividend Application Detail

<b>Adult Applications</b>		
Adult	442,835	
Office of Public Advocacy	927	
Application on Behalf of Another Adult	903	
Estate of Adult who Died During Filing Season	183	
Disabled Individual	133	
18-Year-Old Filers <sup>1</sup>	70	
<b>Total Adult Applications</b>		<b>445,051</b>
<b>Child Applications</b>		
Child	176,081	
Child in Custody of Health and Social Services	2,151	
Estate of Child who Died During Filing Season	2	
<b>Total Child Applications</b>		<b>178,234</b>
<b>Total Applications</b>		<b>623,285</b>

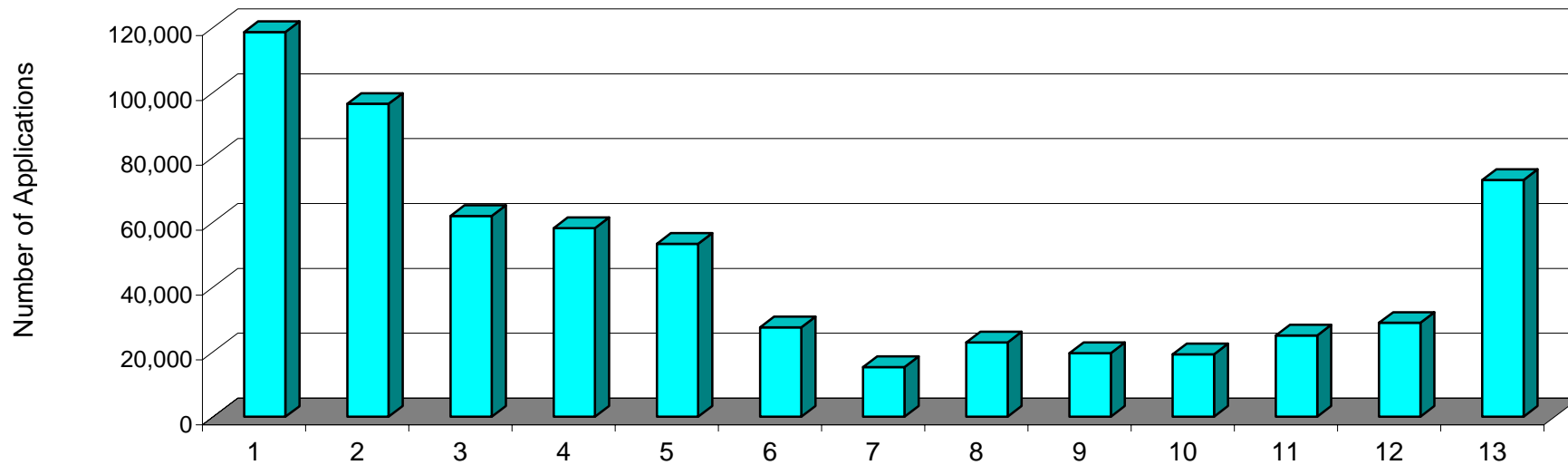
### Other Facts:

- ❖ On-line applications filed: **357,119**
- ❖ On-line applications with Electronic Signature: **230,555**
- ❖ On-line applications were received from every zip code in Alaska
- ❖ First-time Filers: **31,835**
- ❖ Late Applications Denied: **2,220**
- ❖ Sponsor Eligibility Forms<sup>2</sup> Filed: **182**

<sup>1</sup> Under regulation 15 AAC 23.133, 18-year-olds may apply for a prior year dividend that was not issued to them as a child. The 18-year-old must meet all eligibility requirements for the respective prior year and must file the application prior to his or her 19th birthday.

<sup>2</sup> Sponsor Eligibility Forms are applicable to adults who are sponsoring a child but who themselves did not apply for a dividend or were not eligible for a dividend because they were convicted of a crime or incarcerated as a result of a crime.

### Application Filing Activity 2006 Dividend



Week	Week Ending	Applications			% of Total
		Paper	On-line	Total	
1	January 7, 2006	6,455	112,151	118,606	19.03%
2	January 14	40,570	55,913	96,484	15.48%
3	January 21	24,962	36,960	61,922	9.93%
4	January 28	21,555	36,637	58,192	9.34%
5	February 4	10,680	42,680	53,360	8.56%
6	February 11	21,200	6,372	27,572	4.42%
7	February 18	9,735	5,602	15,337	2.46%
8	February 25	16,554	6,355	22,909	3.68%
9	March 4	13,152	6,482	19,634	3.15%
10	March 11	12,337	6,944	19,281	3.09%
11	March 18	17,105	7,947	25,052	4.02%
12	March 25	20,020	8,931	28,951	4.64%
13	March 31	51,477	21,527	73,004	11.71%
April 1 - December 31		2,989	0	2,981	0.48%
<b>Total Applications</b>		<b>268,791</b>	<b>354,501</b>	<b>623,285</b>	<b>100.00%</b>

Number of e-signed on-line applications: **230,355**  
 % e-signed to total on-line applications: 64.6%

Top 3 days paper applications received:  
 March 31 (Friday): 35,853  
 January 9 (Monday): 16,073  
 January 26 (Thursday): 10,157

Top 3 days on-line applications received:  
 January 3 (Tuesday): 27,122  
 January 4 (Wednesday): 24,406  
 January 2 (Monday): 20,524

## How Applicants Answered Application Questions

	Number Answered			% Total		
	Yes	No	Not Answered	Yes	No	Not Answered
<b>Adult Applications (445,051 applications)</b>						
Did you receive a 2005 dividend?	406,025	39,122	0	91.21%	8.79%	0.00%
Are you in Alaska today?	427,036	17,952	159	95.93%	4.03%	0.04%
During 2005, were you absent for more than 90 days?	27,110	417,919	88	6.09%	93.89%	0.02%
During 2005, were you absent for more than 180 days?	13,863	431,202	82	3.11%	96.87%	0.02%
Are you a United States citizen?	431,433	13,659	54	96.92%	3.07%	0.01%
During 2005, were you on active duty in the U.S. Armed Forces?	12,456	432,429	262	2.80%	97.14%	0.06%
Do you want 50% of your dividend into the UA College Savings Plan?	1,865	443,282	0	0.42%	99.58%	0.00%
Do you want direct deposit into an Alaska bank account?	364,198	80,949	0	81.82%	18.18%	0.00%
<b>Child Applications (178,234 applications)</b>						
Are you the child's natural or adoptive parent?	177,915	304	34	99.81%	0.17%	0.02%
Did this child live with you for a majority of 2005?	177,053	1,154	46	99.33%	0.65%	0.03%
Did the child receive a 2005 dividend?	157,139	21,114	0	88.16%	11.84%	0.00%
During 2005, was the child absent for more than 90 days?	7,338	170,879	36	4.12%	95.86%	0.02%
During 2005, was the child absent for more than 180 days?	4,922	173,293	38	2.76%	97.22%	0.02%
Is the child a United States citizen?	176,619	1,621	13	99.08%	0.91%	0.01%
Do you want 50% of child's dividend into the UA College Savings Plan?	6,634	171,619	0	3.72%	96.28%	0.00%
Do you want child's dividend direct deposited?	146,717	31,536	0	82.31%	17.69%	0.00%

**Why Applicants Were Absent From the State**  
**For Absences During 2005 (Qualifying Year for 2006 Dividend)**

Dividend application forms ask applicants if they were absent from the state for more than 90 days and 180 days. Reasons why applicants were absent from the state are listed below.

Absence reason	Between 91 and 180 days			More than 180 days		
	Adult	Child	Total	Adult	Child	Total
❖ Accompanied an Alaska resident who was eligible for a PFD	639	1,276	1,915	1,945	3,999	5,944
❖ Enrolled as a full-time student (Postsecondary Education)	3,087	78	3,165	4,393	24	4,417
❖ Served on active duty in the U.S. Armed Forces	2,203	N/A	2,203	4,524	N/A	4,524
❖ Received continuous medical treatment	286	101	387	156	217	373
❖ Enrolled as a full-time student (Grades 7 - 12)	349	256	605	402	156	558
❖ Cared for a terminally ill family member	175	21	196	78	4	82
❖ Cared for a direct relative with a critical life-threatening illness	157	13	170	55	6	61
❖ Served as a member of Alaska's congressional delegation or staff	7	N/A	7	26	N/A	26
❖ Settled the estate of a deceased direct relative	80	N/A	80	20	N/A	20
❖ Employed aboard a vessel of the U.S. Merchant Marine	43	N/A	43	37	N/A	37
❖ Employed by the State of Alaska	21	N/A	21	9	N/A	9
Other reasons	1,102	225	1,327	453	159	612
Vacation	4,624	333	4,957	322	65	387
Sought employment out of the state	728	N/A	728	272	N/A	272
Part of a legal custody agreement	2	125	127	N/A	60	60

❖ Allowable absence for determining dividend eligibility.

N/A - Not applicable to application type.

Note: Applicants may claim more than one type of absence on their application.

### Applicant Birth State Data

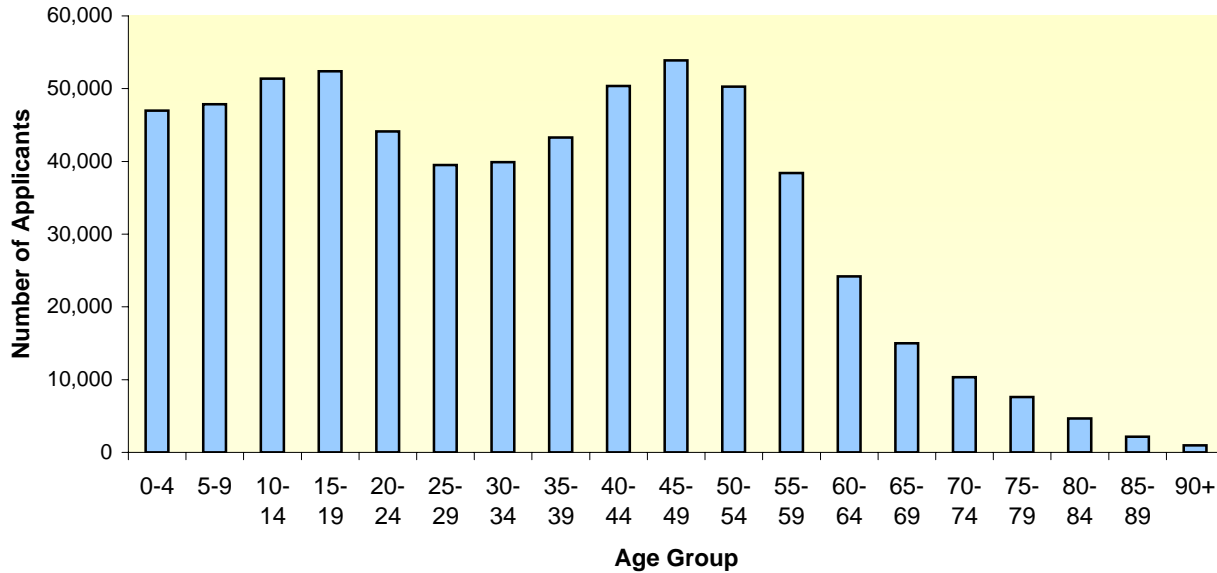
<b>State</b>	<b>Applicants</b>	<b>% Total</b>	<b>State</b>	<b>Applicants</b>	<b>% Total</b>
Alabama	2,712	0.44%	Nebraska	3,369	0.54%
<b>Alaska</b>	<b>258,129</b>	<b>41.41%</b>	Nevada	2,003	0.32%
Arizona	5,396	0.87%	New Hampshire	1,272	0.20%
Arkansas	2,745	0.44%	New Jersey	3,883	0.62%
California	42,169	6.77%	New Mexico	3,326	0.53%
Colorado	9,067	1.45%	New York	12,093	1.94%
Connecticut	1,999	0.32%	North Carolina	4,247	0.68%
Delaware	509	0.08%	North Dakota	3,446	0.55%
District of Columbia	1,132	0.18%	Ohio	8,202	1.32%
Florida	6,789	1.09%	Oklahoma	5,124	0.82%
Georgia	4,175	0.67%	Oregon	18,354	2.94%
Guam/US Possessions	971	0.16%	Pennsylvania	8,658	1.39%
Hawaii	3,872	0.62%	Puerto Rico	599	0.10%
Idaho	7,080	1.14%	Rhode Island	719	0.12%
Illinois	9,421	1.51%	South Carolina	2,043	0.33%
Indiana	4,160	0.67%	South Dakota	3,149	0.51%
Iowa	4,650	0.75%	Tennessee	2,612	0.42%
Kansas	4,174	0.67%	Texas	15,147	2.43%
Kentucky	2,200	0.35%	Utah	5,023	0.81%
Louisiana	3,810	0.61%	Vermont	844	0.14%
Maine	2,155	0.35%	Virginia	3,879	0.62%
Maryland	2,512	0.40%	Washington	32,174	5.16%
Massachusetts	4,702	0.75%	West Virginia	1,396	0.22%
Michigan	11,908	1.91%	Wisconsin	8,038	1.29%
Minnesota	12,502	2.01%	Wyoming	2,740	0.44%
Mississippi	2,074	0.33%	<b>Total United States</b>	<b>576,180</b>	<b>92.48%</b>
Missouri	4,914	0.79%	Foreign Countries	47,105	7.52%
Montana	7,911	1.27%	<b>Total All Applicants</b>	<b>623,285</b>	<b>100.00%</b>

**Top Ten Birth States**

<b>Alaska</b>	<b>258,129</b>	<b>41.41%</b>	Minnesota	12,502	2.01%
California	42,169	6.77%	New York	12,093	1.94%
Washington	32,174	5.16%	Michigan	11,908	1.91%
Oregon	18,354	2.94%	Illinois	9,421	1.51%
Texas	15,147	2.43%	Colorado	9,067	1.45%
			<b>Total Top Ten</b>	<b>420,965</b>	<b>67.53%</b>



### Applicant Demographics 2006 Dividend



Age	Applicants	Gender	Applicants	Percent
0-4	46,996	Male	317,416	50.93%
5-9	47,863	Female	305,869	49.07%
10-14	51,380	<b>Total</b>	<b>623,285</b>	<b>100.00%</b>
15-19	52,391			
20-24	44,131			
25-29	39,499			
30-34	39,905			
35-39	43,304			
40-44	50,371			
45-49	53,898			
50-54	50,262			
55-59	38,407			
60-64	24,198			
65-69	15,010			
70-74	10,329			
75-79	7,597			
80-84	4,643			
85-89	2,149			
90-99	933			
100+	19			
<b>Total</b>	<b>623,285</b>			

Adult applicants: **444,009**  
 Child applicants (< 18 years old): **179,276**

Median Age: **33 years old**

Alaska Newborns: **9,171**  
 (Born in 2005 Qualifying Year)

Oldest applicant on file: **106 years old**

**Most Common Names on File**

**Male**  
 Michael  
 John  
 James  
 Robert  
 David

**Female**  
 Mary  
 Jennifer  
 Elizabeth  
 Linda  
 Patricia

**Last Name**  
 Smith  
 Johnson  
 Williams  
 Brown  
 Jones

Age demographics are based on applicants' age at the end of the qualifying year (2005) for the 2006 dividend.

## Applicant Mailing Address by City

Zip Code	Municipality	Application Type		Total	% of Total Applications
		Adult	Child		
<b>Anchorage</b>					
99501	Anchorage	9,734	2,157	11,891	1.91%
99502	Anchorage	14,125	5,479	19,604	3.15%
99503	Anchorage	9,092	2,571	11,663	1.87%
99504	Anchorage	23,181	9,094	32,275	5.18%
99505	Fort Richardson	936	803	1,739	0.28%
99506	Elmendorf Air Force Base	1,570	1,454	3,024	0.49%
99507	Anchorage	21,614	8,624	30,238	4.85%
99508	Anchorage	18,808	7,481	26,289	4.22%
99509	Anchorage	2,288	556	2,844	0.46%
99510	Anchorage	1,545	262	1,807	0.29%
99511	Anchorage	2,608	662	3,270	0.52%
99512	Anchorage	1	1	2	0.00%
99513	Anchorage	11	2	13	0.00%
99514	Anchorage	1,895	984	2,879	0.46%
99515	Anchorage	13,445	5,503	18,948	3.04%
99516	Anchorage	12,126	4,825	16,951	2.72%
99517	Anchorage	10,031	3,110	13,141	2.11%
99518	Anchorage	6,035	1,934	7,969	1.28%
99519	Anchorage	695	171	866	0.14%
99520	Anchorage	1,627	617	2,244	0.36%
99521	Anchorage	1,412	487	1,899	0.30%
99522	Anchorage	1,415	414	1,829	0.29%
99523	Anchorage	1,818	597	2,415	0.39%
99524	Anchorage	2,248	536	2,784	0.45%
<b>Total Anchorage</b>		<b>158,260</b>	<b>58,324</b>	<b>216,584</b>	<b>34.75%</b>
<b>Fairbanks North Star Borough</b>					
99701	Fairbanks	9,407	3,312	12,719	2.04%
99702	Eielson Air Force Base	1,368	1,127	2,495	0.40%
99703	Fort Wainwright	1,740	1,495	3,235	0.52%
99705	North Pole	10,670	4,542	15,212	2.44%
99706	Fairbanks	1,243	344	1,587	0.25%
99707	Fairbanks	4,477	1,307	5,784	0.93%
99708	Fairbanks	5,279	1,509	6,788	1.09%
99709	Fairbanks	11,717	4,000	15,717	2.52%
99710	Fairbanks	1,131	357	1,488	0.24%
99711	Fairbanks	1,082	370	1,452	0.23%
99712	Fairbanks	5,338	1,960	7,298	1.17%
99714	Salcha	669	238	907	0.15%
99716	Two Rivers	294	90	384	0.06%
99725	Ester	672	165	837	0.13%
99775	Fairbanks	652	144	796	0.13%
<b>Total Fairbanks North Star Borough</b>		<b>55,739</b>	<b>20,960</b>	<b>76,699</b>	<b>12.31%</b>
<b>Juneau</b>					
99801	Juneau	13,856	4,898	18,754	3.01%
99802	Juneau	2,071	447	2,518	0.40%
99803	Juneau	3,141	983	4,124	0.66%
99821	Juneau (Auke Bay)	1,106	209	1,315	0.21%
99824	Juneau (Douglas)	1,484	436	1,920	0.31%
<b>Total Juneau</b>		<b>21,658</b>	<b>6,973</b>	<b>28,631</b>	<b>4.59%</b>

## Applicant Mailing Address by City

Zip Code	Municipality	Application Type		Total	% of Total Applications
		Adult	Child		
<b>Other Municipalities</b>					
99546	Adak	45	17	62	0.01%
99615	Akhiok	29	16	45	0.01%
99551	Akiachak	360	261	621	0.10%
99552	Akiak	210	155	365	0.06%
99553	Akutan	84	11	95	0.02%
99554	Alakanuk	350	320	670	0.11%
99555	Aleknagik	98	53	151	0.02%
99695	Alexander Creek	7	3	10	0.00%
99720	Allakaket	13	59	72	0.01%
99786	Ambler	162	102	264	0.04%
99721	Anaktuvuk Pass	184	120	304	0.05%
99556	Anchor Point/Nikolaevsk	1,575	480	2,055	0.33%
99744	Anderson	180	82	262	0.04%
99820	Angoon	341	129	470	0.08%
99557	Aniak/Chuathbaluk/Stony River	352	243	595	0.10%
99558	Anvik	54	35	89	0.01%
99722	Arctic Village	101	52	153	0.02%
99547	Atka	46	16	62	0.01%
99791	Atkasuk	136	112	248	0.04%
99723	Barrow	2,467	1,352	3,819	0.61%
99724	Beaver	60	19	79	0.01%
99559	Bethel/Atmautluak/Napaskiak	4,477	2,355	6,832	1.10%
99726	Bettles Field	30	2	32	0.01%
99652	Big Lake	2,024	672	2,696	0.43%
99785	Brevig Mission	174	142	316	0.05%
99727	Buckland	209	198	407	0.07%
99729	Cantwell	180	36	216	0.03%
99730	Central	90	15	105	0.02%
99788	Chalkyitsik	55	19	74	0.01%
99561	Chefornak	243	218	461	0.07%
99574	Chenega Bay	42	21	63	0.01%
99563	Chevak	483	450	933	0.15%
99732	Chicken	14	2	16	0.00%
99564	Chignik	66	14	80	0.01%
99565	Chignik Lagoon	57	19	76	0.01%
99548	Chignik Lake	72	39	111	0.02%
99615	Chiniak	70	12	82	0.01%
99566	Chitina	120	40	160	0.03%
99567	Chugiak	5,929	2,094	8,023	1.29%
99733	Circle	72	32	104	0.02%
99568	Clam Gulch	221	64	285	0.05%
99569	Clarks Point	41	20	61	0.01%
99704	Clear	90	31	121	0.02%
99918	Coffman Cove	140	28	168	0.03%
99571	Cold Bay/Nelson Lagoon	99	29	128	0.02%
99572	Cooper Landing	299	42	341	0.05%
99573	Copper Center	832	309	1,141	0.18%
99574	Cordova	1,608	569	2,177	0.35%
99921	Craig	1,136	430	1,566	0.25%
99575	Crooked Creek	60	52	112	0.02%
99736	Deering	86	60	146	0.02%
99737	Delta Junction/Dot Lake/Paxson	2,285	1,070	3,355	0.54%
99755	Denali National Park	191	32	223	0.04%
99576	Dillingham/Koliganek/Twin Hills	1,747	863	2,610	0.42%

## Applicant Mailing Address by City

Zip Code	Municipality	Application Type		Total	% of Total Applications
		Adult	Child		
99738	Eagle	169	53	222	0.04%
99577	Eagle River	16,063	6,367	22,430	3.60%
99917	Edna Bay	23	3	26	0.00%
99578	Eek	173	117	290	0.05%
99579	Egegik	54	20	74	0.01%
99580	Ekwok	70	50	120	0.02%
99825	Elfin Cove	39	4	43	0.01%
99739	Elim	174	113	287	0.05%
99581	Emmonak	450	329	779	0.12%
99583	False Pass	36	16	52	0.01%
99740	Fort Yukon	444	197	641	0.10%
99586	Gakona/Slana	441	119	560	0.09%
99741	Galena	393	153	546	0.09%
99742	Gambell	379	249	628	0.10%
99587	Girdwood	1,505	346	1,851	0.30%
99588	Glennallen	962	347	1,309	0.21%
99589	Goodnews Bay	161	81	242	0.04%
99590	Grayling	110	63	173	0.03%
99826	Gustavus	341	82	423	0.07%
99827	Haines	1,817	455	2,272	0.36%
99743	Healy	667	246	913	0.15%
99602	Holy Cross	133	76	209	0.03%
99603	Homer	6,246	2,201	8,447	1.36%
99829	Hoonah	669	200	869	0.14%
99604	Hooper Bay	602	546	1,148	0.18%
99605	Hope	142	25	167	0.03%
99694	Houston	354	91	445	0.07%
99745	Hughes	50	11	61	0.01%
99746	Huslia	162	90	252	0.04%
99922	Hydaburg	241	86	327	0.05%
99923	Hyder	74	16	90	0.01%
99606	Iliamna	182	76	258	0.04%
99540	Indian/Bird Creek	181	42	223	0.04%
99830	Kake	402	133	535	0.09%
99747	Kaktovik	166	82	248	0.04%
99607	Kalskag	132	96	228	0.04%
99748	Kaltag	140	62	202	0.03%
99608	Karluk	24	20	44	0.01%
99609	Kasigluk	315	226	541	0.09%
99610	Kasilof	1,583	500	2,083	0.33%
99611	Kenai	8,380	3,195	11,575	1.86%
99901	Ketchikan	8,064	2,786	10,850	1.74%
99950	Ketchikan Rural Area	199	33	232	0.04%
99749	Kiana	229	159	388	0.06%
99612	King Cove	315	120	435	0.07%
99613	King Salmon	355	110	465	0.07%
99614	Kipnuk	368	294	662	0.11%
99750	Kivalina	215	169	384	0.06%
99925	Klawock	596	202	798	0.13%
99751	Kobuk	74	73	147	0.02%
99615	Kodiak	7,638	3,219	10,857	1.74%
99697	Kodiak	26	7	33	0.01%
99619	Kodiak (USCG Base)	3	0	3	0.00%
99606	Kokhanok	112	46	158	0.03%
99620	Kotlik	318	264	582	0.09%
99752	Kotzebue	1,882	1,089	2,971	0.48%

## Applicant Mailing Address by City

Zip Code	Municipality	Application Type		Total	% of Total Applications
		Adult	Child		
99753	Koyuk	184	153	337	0.05%
99754	Koyukuk	58	26	84	0.01%
99621	Kwethluk	377	313	690	0.11%
99622	Kwigillingok	220	154	374	0.06%
99757	Lake Minchumina	19	2	21	0.00%
99624	Larsen Bay	66	24	90	0.01%
99625	Levelock	41	21	62	0.01%
99626	Lower Kalskag	170	112	282	0.05%
99756	Manley Hot Springs	83	16	99	0.02%
99628	Manokotak	267	158	425	0.07%
99585	Marshall	216	177	393	0.06%
99627	McGrath	260	93	353	0.06%
99630	Mekoryuk	161	58	219	0.04%
99926	Metlakatla	966	392	1,358	0.22%
99903	Meyers Chuck	19	0	19	0.00%
99758	Minto	137	63	200	0.03%
99631	Moose Pass	187	60	247	0.04%
99632	Mountain Village	431	358	789	0.13%
99633	Naknek	361	136	497	0.08%
99634	Napakiaik	216	163	379	0.06%
99760	Nenana	601	208	809	0.13%
99636	New Stuyahok	262	198	460	0.07%
99690	Nightmute	126	101	227	0.04%
99635	Nikiski	1,424	494	1,918	0.31%
99691	Nikolai	71	19	90	0.01%
99638	Nikolski	17	9	26	0.00%
99639	Ninilchik	857	190	1,047	0.17%
99761	Noatak	293	200	493	0.08%
99762	Nome/Golovin	2,374	1,154	3,528	0.57%
99640	Nondalton	129	65	194	0.03%
99763	Noorvik	355	283	638	0.10%
99764	Northway	180	85	265	0.04%
99789	Nuiqsut	237	151	388	0.06%
99765	Nulato	222	88	310	0.05%
99666	Nunam Iqua	97	95	192	0.03%
99641	Nunapitchuk	281	234	515	0.08%
99643	Old Harbor	147	69	216	0.03%
99644	Ouzinkie	158	59	217	0.03%
99645	Palmer	15,289	6,422	21,711	3.48%
99647	Pedro Bay	36	22	58	0.01%
99832	Pelican	102	15	117	0.02%
99648	Perryville	81	42	123	0.02%
99833	Petersburg	2,375	812	3,187	0.51%
99649	Pilot Point	45	21	66	0.01%
99650	Pilot Station	326	264	590	0.09%
99651	Platinum	26	10	36	0.01%
99927	Point Baker	43	11	54	0.01%
99766	Point Hope	424	298	722	0.12%
99759	Point Lay	109	89	198	0.03%
99836	Port Alexander	51	18	69	0.01%
99653	Port Alsworth	82	39	121	0.02%
99549	Port Heiden	60	30	90	0.01%
99550	Port Lions	157	55	212	0.03%
99734	Prudhoe Bay	18	0	18	0.00%
99655	Quinhagak	381	283	664	0.11%
99767	Rampart	23	3	26	0.00%

## Applicant Mailing Address by City

Zip Code	Municipality	Application Type		Total	% of Total Applications
		Adult	Child		
99656	Red Devil	19	12	31	0.00%
99768	Ruby	126	66	192	0.03%
99657	Russian Mission	189	147	336	0.05%
99591	Saint George Island	72	36	108	0.02%
99658	Saint Marys	379	291	670	0.11%
99659	Saint Michael	205	193	398	0.06%
99660	Saint Paul Island	311	118	429	0.07%
99661	Sand Point	368	146	514	0.08%
99769	Savoonga	399	306	705	0.11%
99662	Scammon Bay	243	274	517	0.08%
99770	Selawik	449	351	800	0.13%
99663	Seldovia	342	87	429	0.07%
99664	Seward	2,986	865	3,851	0.62%
99665	Shageluk	77	43	120	0.02%
99771	Shaktolik	138	72	210	0.03%
99772	Shishmaref	337	263	600	0.10%
99773	Shungnak	143	113	256	0.04%
99835	Sitka	5,999	1,922	7,921	1.27%
99840	Skagway	680	145	825	0.13%
99667	Skwentna	54	8	62	0.01%
99668	Sleetmute	67	22	89	0.01%
99669	Soldotna	9,717	3,576	13,293	2.13%
99670	South Naknek	64	12	76	0.01%
99671	Stebbins	304	272	576	0.09%
99672	Sterling	2,138	685	2,823	0.45%
99774	Stevens Village	53	20	73	0.01%
99674	Sutton/Chickaloon	980	326	1,306	0.21%
99675	Takotna	28	14	42	0.01%
99676	Talkeetna	1,114	265	1,379	0.22%
99776	Tanacross	71	34	105	0.02%
99777	Tanana	194	68	262	0.04%
99677	Tatitlek	77	32	109	0.02%
99778	Teller	152	96	248	0.04%
99841	Tenakee Springs	88	18	106	0.02%
99779	Tetlin	2	0	2	0.00%
99919	Thorne Bay	383	121	504	0.08%
99678	Togiak	465	321	786	0.13%
99780	Tok/Mentasta Lake	1,211	403	1,614	0.26%
99637	Toksook Bay	331	287	618	0.10%
99683	Trapper Creek	402	69	471	0.08%
99679	Tuluksak	258	201	459	0.07%
99680	Tuntutuliak	204	182	386	0.06%
99681	Tununak	193	144	337	0.05%
99682	Tyonek	128	77	205	0.03%
99684	Unalakeet	505	246	751	0.12%
99685	Unalaska	613	219	832	0.13%
99692	Unalaska (Dutch Harbor)	958	308	1,266	0.20%
99686	Valdez	2,698	1,013	3,711	0.60%
99781	Venetie	144	66	210	0.03%
99782	Wainwright	306	185	491	0.08%
99783	Wales	86	45	131	0.02%
99928	Ward Cove	1,067	351	1,418	0.23%
99629	Wasilla	965	353	1,318	0.21%
99654	Wasilla	17,993	8,291	26,284	4.22%
99687	Wasilla	10,395	4,262	14,657	2.35%
99784	White Mountain	131	81	212	0.03%

## Applicant Mailing Address by City

Zip Code	Municipality	Application Type		Total	% of Total Applications
		Adult	Child		
99693	Whittier	199	39	238	0.04%
99688	Willow	1,927	570	2,497	0.40%
99929	Wrangell	1,589	461	2,050	0.33%
99689	Yakutat	440	158	598	0.10%
<b>Total Other Municipalities</b>		<b>199,192</b>	<b>83,338</b>	<b>282,530</b>	<b>45.33%</b>
<b>Office of Public Advocacy<sup>1</sup></b>		<b>927</b>	<b>0</b>	<b>927</b>	<b>0.15%</b>
<b>Health and Social Services<sup>1</sup></b>		<b>0</b>	<b>2,151</b>	<b>2,151</b>	<b>0.35%</b>
<b>Total All Alaska Municipalities</b>		<b>435,776</b>	<b>171,746</b>	<b>607,522</b>	<b>97.47%</b>
<b>West Coast states</b>					
	Washington	803	364	1,167	0.19%
	Oregon	365	149	514	0.08%
	California	593	303	896	0.14%
<b>Total West Coast States</b>		<b>1,761</b>	<b>816</b>	<b>2,577</b>	<b>0.41%</b>
<b>Other States</b>		<b>9,668</b>	<b>3,518</b>	<b>13,186</b>	<b>2.12%</b>
<b>Total All Applicants</b>		<b>447,205</b>	<b>176,080</b>	<b>623,285</b>	<b>100.00%</b>

<sup>1</sup>Applicants reside throughout the state, however applications are submitted by the respective agency with the agency's address (Health and Social Services are filed with a Juneau address and Office of Public Advocacy are filed with an Anchorage address).

## Documents Processed

Document Type	Number	Document Type	Number
Application/Supplemental Schedule	305,763	Dividend Distribution Letter	2,208
Signature Page	122,589	Personal Identification	2,120
PFD Request for Information	73,846	Assignment Of Rights	1,973
Denial Letter	54,169	Formal Appeal Decision/Order	1,934
Other	53,786	Eligibility Certification	1,808
Notice of Levy and Writ	34,967	Direct Deposit Withdrawal	1,673
Incoming Correspondence	29,876	Employment Questionnaire	1,582
Birth Certificate/Vital Statistics Document	21,960	Social Security Card/Doc	1,581
Military Document	20,560	5-Year Absence Questionnaire	1,569
Education Verification	18,502	Warrant	1,475
Housing/Shipping Doc	17,930	Overturn/Remand Letter	1,365
Direct Deposit	17,875	Formal Appeal Document	1,570
Travel Document	16,006	Hearing Position Statement	851
PFD Outcard/Printout	15,560	Benefits Statement	824
Employment Document	15,179	Stop Payment Request	819
Returned Envelope	15,092	Notice of Hearing/Assign	775
Envelope	14,099	Voter Document	752
Legal Document, Court Order and Affidavit	13,234	Medical Treatment Verification	700
Income Tax Document	12,983	UA College Saving Plan Withdrawal	686
Informal Appeal Decision	11,804	Sworn Statement To Reapply	608
Change Of Address	11,142	Formal Appeal form	522
Prior Year Non Filer form	8,974	Remand Letter	419
Informal Appeal Form	8,143	Competing Sponsor Withdrawal	398
Receipt	7,132	Jury Questionnaire	345
Collections Document	6,385	Stale Dated Check Form	327
Outgoing Correspondence	6,049	Sponsor Eligibility Form	287
Returned Direct Deposit Advice	5,836	Physician's Statement	262
Immigration Document	5,357	Motion	170
Passport	4,998	Eligibility Verification	135
PFD Form	4,923	Motion Decision	92
Garnishment and Attachment	4,444	Request to Withdraw Application	71
Appeal Fee Payment	4,262	Physical Presence Waiver Request	45
Medical Document	4,036	Superior/Supreme Court Appeal	21
DMV Document	3,337	Superior/Supreme Court Dec	18
Power of Attorney	3,119	Appeal Withdrawal Letter	17
Informal Appeal Document	2,909	Reconsideration Decision	11
Bank Statement	2,414	Reconsideration	5
	979,240		30,018

**Total Documents Processed 1,009,258**



## Dividend Payment Information

The dividend payment season begins well before the first dividend payments are paid to applicants in October. The payment season actually begins in August, when the division starts to coordinate direct deposit transactions with banks and financial institutions participating in the direct deposit program.

In September, the division begins the task of calculating the dividend amount to be announced by the commissioner of Revenue later in the month. Because there are still applications pending review or appeal, the division estimates the total number of applicants who will ultimately qualify for a dividend and takes other factors, such as applications and payments for prior year dividends, into consideration when calculating the dividend. The dividend calculation is included in the executive summary section of this report.

Immediately following the dividend announcement by the commissioner, the division compiles payment data that is transmitted to banks and federal credit unions for direct deposit and the state Department of Administration for direct-deposit notices and dividend checks. Processing begins before the first payment date in October to allow ample time for printing and mailing the large volume of direct deposit advices and checks. Direct-deposit advices are printed first so that all direct deposit recipients receive notification before they are paid. Direct deposit occurs in the first and third week of October, up to six weeks prior to the first mailing of checks. Checks are mailed to eligible applicants in the middle of November.

This section includes data and information related to the payment of dividends in 2006. In addition to payment of 2006 dividends, the division paid prior-year dividends during the year as 2005 pending applications were resolved through review and appeals. Some prior-year dividends were also paid from applications filed by individuals who turned 18 years old and did not receive a dividend during a prior year.

### 2006 Dividend Payment Activity

	Applicants	% Total
<b>2006 Dividends Paid</b>		
<b>Direct Deposit</b>		
Full Direct Deposit	445,044	
Partial Direct Deposit <sup>1</sup>		
<i>UA College Savings Plan</i>	6,512	
<i>Garnisheed</i>	15,918	
Fully Garnisheed or Assigned	9,301	
<b>Total Paid by Direct Deposit</b>	<b>476,775</b>	<b>80.54%</b>
<b>Check Runs</b>		
Full Payment	94,995	
Partial Payment <sup>1</sup>		
<i>UA College Savings Plan</i>	1,342	
<i>Garnisheed</i>	7,364	
Fully Garnisheed or Assigned	11,518	
<b>Total Paid by Check</b>	<b>115,219</b>	<b>19.46%</b>
<b>Total 2006 Dividends Paid</b>	<b>591,994</b>	<b>100.00%</b>

<sup>1</sup> Applicants receive a partial direct deposit or payment when their dividend is garnisheed or assigned and the total amount garnisheed or assigned is less than the dividend amount. Applicants may assign up to 100% of their dividend, but only to federal, state or municipal agencies.

Direct deposit dates: **October 4 and 19, 2006**  
 First batch of checks issued: **November 14, 2006**

Number of checks issued in the first batch of checks:  
**101, 221 (97.8% of all checks)**

Number of checks returned undeliverable and cancelled: **1,243**  
*(checks are reissued after applicant contacts the division)*

Number of checks for which stop payment requested: **311**  
*(checks are reissued after stop payment request processed)*

**Prior-Year Dividend Payment Activity**  
*(Prior-Year Dividends Issued in Calendar Year 2006)*

<b>Dividend Year</b>	<b># of Checks</b>	<b>Dividend Amount</b>	<b>Total</b>
2005	3,654	845.76	3,090,407.04
2004	2,861	919.84	2,631,662.24
2003	283	1,107.56	313,439.48
2002	86	1,540.76	132,505.36
2001	62	1,850.28	114,717.36
2000	52	1,963.86	102,120.72
1999	51	1,769.84	90,261.84
1998	40	1,540.88	61,635.20
1997	39	1,296.54	50,565.06
1996	49	1,130.68	55,403.32
1995	39	990.30	38,621.70
1994	42	983.90	41,323.80
1993	23	949.46	21,837.58
1992	19	915.84	17,400.96
1991	22	931.34	20,489.48
1990	19	952.63	18,099.97
1989	25	873.16	21,829.00
1988	12	826.93	9,923.16
1987	17	708.19	12,039.23
1986	4	556.26	2,225.04
1982	1	1,000.00	1,000.00
<b>Total</b>	<b><u>7,400</u></b>		<b><u>\$ 6,847,507.54</u></b>

Number of 18-Year-Old Prior-Year Dividend Applications Received in 2006: <b>838</b>
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**Prior year dividends are issued for the following reasons:**

- ❖ 2005 dividend applications were still in review or appeal at the close of 2005.
- ❖ Prior year 18-year-old filers. Alaska Statute 43.23.055 authorizes individuals who hadn't received a dividend when they were a child to apply for that dividend when they turn 18 or become emancipated. These applicants must meet eligibility requirements and apply for the prior-year dividend within one year of their 18th birthday.
- ❖ Disabled adults and estates have an extended filing date of one year later than the original application deadline.

### Direct Deposit Summary

	<u><i>Institution</i></u>	<u><i># Deposits</i></u>	<u><i>Amount of Deposits</i></u>	<u><i>% Total Amount</i></u>
1	Alaska USA FCU	164,408	\$177,200,710.60	35.06%
2	Wells Fargo	108,626	117,927,559.85	23.33%
3	First National Bank Alaska	44,823	48,555,484.67	9.61%
4	Credit Union 1	33,709	36,401,820.34	7.20%
5	<u>Denali Alaskan FCU</u>	<u>23,789</u>	<u>25,723,411.82</u>	<u>5.09%</u>
6	Matanuska Valley FCU	19,869	21,443,734.37	4.24%
7	Key Bank of Alaska	12,255	13,357,733.27	2.64%
8	Northrim Bank	10,790	11,588,605.25	2.29%
9	Northern Schools FCU	7,332	7,889,452.41	1.56%
10	<u>True North FCU</u>	<u>6,880</u>	<u>7,406,038.13</u>	<u>1.47%</u>
11	First Bank	6,775	7,324,632.78	1.45%
12	Mt. McKinley Bank	5,317	5,744,572.07	1.14%
13	Alaska Pacific Bank	4,927	5,312,112.93	1.05%
14	Denali State Bank	4,358	4,705,608.76	0.93%
15	<u>MAC FCU</u>	<u>4,048</u>	<u>4,412,098.42</u>	<u>0.87%</u>
16	Tongass FCU	2,461	2,666,699.17	0.53%
17	Advancial FCU	1,856	2,034,026.64	0.40%
18	Northern Skies FCU	1,560	1,671,290.49	0.33%
19	ALPS FCU	1,205	1,314,439.22	0.26%
20	<u>Alaska First Bank &amp; Trust</u>	<u>1,028</u>	<u>1,123,809.61</u>	<u>0.22%</u>
21	Alaska Airlines Employees FCU	776	840,345.56	0.17%
22	Alaska District Engineers FCU	567	615,652.76	0.12%
23	City of Fairbanks FCU	115	121,650.90	0.02%
	<b>Total All Institutions</b>	<b>467,474</b>	<b>\$505,381,490.02</b>	<b>100.00%</b>
	Qualified but fully garnisheed	9,301	\$0.00	
	<b>Total Qualified for Direct Deposit</b>	<b>476,775</b>	<b>\$505,381,490.02</b>	

FCU - Federal Credit Union

### Direct Deposit Historical Data

Year	Number of Applicants		Dividend Amount	Amount of Direct Deposit	Participating Institutions	Percentage		
	Total	Requested Deposit				Qualified for Deposit <sup>2</sup>	Requested	Qualified
1993	549,066	205,895	167,618	\$949.46	\$159,146,586.28	23	37.50%	30.53%
1994	557,836	285,132	245,911	\$983.90	\$241,951,832.90	26	51.11%	44.08%
1995	563,020	332,224	284,466	\$990.30	\$281,706,679.80	28	59.01%	50.53%
1996	564,362	345,929	295,803	\$1,130.68	\$334,458,536.04	43	61.30%	52.41%
1997	573,057	367,693	318,160	\$1,296.54	\$412,507,166.40	38	64.16%	55.52%
1998	581,803	389,310	342,531	\$1,540.88	\$527,799,167.28	34	66.91%	58.87%
1999 <sup>1</sup>	589,738	407,508	371,262	\$1,769.84	\$649,647,524.81	34	69.10%	62.95%
2000	607,784	443,713	390,312	\$1,963.86	\$755,128,494.87	33	73.01%	64.22%
2001	608,458	458,848	404,247	\$1,850.28	\$735,554,215.65	33	75.41%	66.44%
2002	612,188	470,007	430,891	\$1,540.76	\$642,457,942.63	28	76.77%	70.39%
2003	619,220	482,110	444,268	\$1,107.56	\$473,617,814.63	24	77.86%	71.75%
2004	625,072	489,546	448,642	\$919.84	\$395,606,262.86	23	78.32%	71.77%
2005	629,554	495,057	459,004	\$845.76	\$372,163,399.94	23	78.64%	72.91%
2006	627,917	512,510	476,775	\$1,106.96	\$505,381,490.02	23	81.62%	75.93%
<b>Total</b>	<b>8,309,075</b>	<b>5,685,482</b>	<b>5,079,890</b>	<b>\$17,996.62</b>	<b>\$6,487,127,114.11</b>		<b>68.42%</b>	<b>61.14%</b>

**Note 1:** Beginning 1999, Permanent Fund Dividend Division implemented partial direct deposit. For 1993 through 1998, applicants qualified for direct deposit only if they received the full dividend amount.

**Note 2:** Applicants may not qualify for direct deposit because their bank account was closed or their direct deposit information was incomplete.

## Dividend Garnishments Summary

*Under state statutes, up to 80% of a dividend may be garnisheed except that a governmental agency may garnishee up to 100% of a dividend. Any amount in excess of the total amount garnisheed is paid to the applicant.*

<i>(Sorted by Amount Paid)</i> <b>Top Ten Garnishors</b>	<b>Garnishment Requests</b>					<b>Primary reason</b>
	<b>Submitted</b>		<b>Paid</b>			
	<b># Records</b>	<b>Amount</b>	<b># Records</b>	<b>Amount</b>	<b>Average</b>	
Child Support Enforcement Division	13,380	1,293,967.37	9,955	\$9,457,269.22	\$950.00	Delinquent child support payments
Alaska Clerk of the Court (Private Writs)	21,482	159,227,453.74	10,939	8,068,001.10	737.54	Small claims, debts and restitution
United State Treasury	6,833	135,647,420.13	4,771	4,135,712.23	866.84	Delinquent federal income tax liabilities
Postsecondary Education	4,919	60,270,333.41	3,726	3,881,358.09	1,041.70	Delinquent state student loan payments
Department of Law	52,565	28,409,155.02	18,896	3,654,828.10	193.42	Fines, delinquent taxes, attorney fees
Municipality of Anchorage	43,929	11,293,721.44	17,218	2,813,706.53	163.42	Fines, delinquent taxes, attorney fees
Alaska Department of Labor	4,744	7,701,304.88	2,546	1,723,851.03	677.08	Delinquent employment tax liabilities
University of Alaska	1,395	1,383,543.93	1,019	594,871.51	1,691.71	Delinquent payments
City of Fairbanks	2,272	420,343.87	1,035	195,614.50	574.76	Fines, delinquent taxes, attorney fees
Department of Health and Social Services	611	1,331,786.51	290	182,652.93	674.53	Public assistance fraud repayments
<b>Total of Top Ten Garnishors</b>	<b>152,130</b>	<b>\$406,979,030.30</b>	<b>70,395</b>	<b>\$34,707,865.24</b>	<b>\$493.04</b>	
<b>Total of Other Garnishors</b>	<b>17,178</b>	<b>\$71,984,229.57</b>	<b>2,203</b>	<b>\$530,874.01</b>	<b>\$240.98</b>	
<b>Total of All Garnishors</b>	<b>169,308</b>	<b>\$478,963,259.87</b>	<b>72,598</b>	<b>\$35,238,739.25</b>	<b>\$485.40</b>	

## Dividend Assignments Summary

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 liability due the assigned agency is paid to the applicant.

	<b>Assignment Requests</b>					<b>Primary reason</b>
	<b>Submitted</b>		<b>Paid</b>			
<b>Top Ten Assignees</b>	<b># Records</b>	<b>Amount</b>	<b># Records</b>	<b>Amount</b>	<b>Average</b>	
AVCP <sup>1</sup> Housing Authority	387	\$428,393.52	341	\$352,037.86	1,032.37	Mortgage payments
Tlingit-Haida Regional Housing	327	\$361,975.92	281	272,166.16	968.56	Mortgage payments
State Division of Investments	218	\$241,317.28	196	212,143.22	1,082.36	Disaster loan payments
Bering Straits Regional Housing Authority	184	\$203,680.64	166	169,214.21	1,019.36	Mortgage payments
Division of Behavioral Health	411	\$454,960.56	163	104,812.95	643.02	Cost of rehabilitation
Department of Health and Social Services	136	\$150,546.56	97	98,153.65	1,011.89	Restitution to crime victims and fines
City of Selawik	94	\$104,054.24	82	75,580.06	921.71	Municipal fees
Clerk of the Court	180	\$199,252.80	122	60,343.38	494.62	Restitution and fines
Municipality of Anchorage	137	\$151,653.52	113	56,978.35	504.23	Fines, delinquent taxes and fees
Department of Labor	108	\$119,551.68	20	16,962.21	848.11	Overpayment of benefits
<b>Total of Top Ten Assignees</b>	<b>2,182</b>	<b>\$1,986,993.20</b>	<b>1,240</b>	<b>\$1,066,354.19</b>	<b>\$859.96</b>	
<b>Total of Other Assignees</b>	<b>1,291</b>	<b>\$1,857,478.88</b>	<b>1,352</b>	<b>\$1,264,179.37</b>	<b>\$935.04</b>	
<b>Total of All Assignees</b>	<b>3,473</b>	<b>\$3,844,472.08</b>	<b>2,592</b>	<b>\$2,330,533.56</b>	<b>\$899.13</b>	

<sup>1</sup> Association of Village Council Presidents

**University of Alaska  
College Savings Plan Contributions**

<b>Year</b>	<b>Applicants</b>		<b>Total Contributions</b>
1991	5,018	\$	2,329,943.62
1992	5,490		2,507,537.40
1993	5,925		2,806,199.41
1994	5,905		2,897,904.88
1995	5,405		2,670,684.24
1996	4,945		2,790,779.51
1997	4,426		2,861,877.87
1998	3,468		2,655,048.28
1999	3,663		3,225,384.06
2000	3,766		3,681,902.17
2001	4,464		4,107,056.79
2002	5,094		3,901,412.29
2003	5,667		3,121,888.81
2004	6,601		3,020,373.59
2005	7,482		3,150,343.08
2006	<u>7,847</u>		<u>4,322,765.60</u>
<b>Total</b>	<b><u>85,166</u></b>	<b>\$</b>	<b><u>50,051,101.60</u></b>

Legislation establishing the Alaska Education Trust Fund (AS 14.40.807) and authorizing an allowance for applicants to contribute 50% of their dividend to the fund was passed in 1990. The name of the fund was changed in 1991 to the Advance College Tuition (ACT) Payment Fund. The ACT checkoff first appeared on 1991 dividend applications.

In fall 2001, the University of Alaska developed the UA College Savings Plan program as the main program under which persons make contributions toward advanced college tuition costs. The UA College Savings Plan provides various investment strategies to individuals making contributions.



## Collections Activity

The division collects dividends from applicants who were paid and subsequently determined to be ineligible to receive the dividend. Applicants are assessed 10.5% interest until the dividend is paid back.

	2006					2005				
	Beginning Inventory	New Cases	Closed Cases	Ending Inventory	Amount Collected	Beginning Inventory	New Cases	Closed Cases	Ending Inventory	Amount Collected
January	487	18	11	476 *	\$13,994	469	2	30	441	\$13,982
February	476	30	10	496	34,856	441	12	4	449	10,284
March	496	25	23	498	48,834	449	15	7	457	22,214
April	498	24	4	518	22,398	457	18	12	463	14,962
May	518	11	10	519	24,746	463	19	20	462	33,119
June	519	15	11	523	19,236	462	30	14	478	8,147
July	523	24	7	540	27,357	478	30	9	499	12,165
August	540	27	8	559	19,870	499	16	20	495	46,649
September	559	8	6	561	13,554	495	20	9	506	36,817
October	561	4	14	551	40,932	506	13	15	504	81,051
November	551	6	22	535	49,844	504	20	21	503	16,867
December	535	10	5	540	13,272	503	8	24	487	21,250
<b>Total</b>		<b>202</b>	<b>131</b>		<b>\$328,892</b>		<b>203</b>	<b>185</b>		<b>\$317,507</b>

\*Amount includes adjustment to include 18 less cases.

## Dividend Information Offices

The public face of PFD, dividend information staff in the Anchorage, Fairbanks and Juneau information offices assist tens of thousands of Alaskans each year, performing crucial services for applicants needing assistance with their applications, or for applicants with questions about the dividend program.

The application season – January through March – and payment season – October through November – are peak public contact times for the information offices. From January through March, the three offices receive thousands of phone calls, emails and walk-in inquiries about the application process and the dividend program. In 2006, Alaskans submitted over half of their PFD applications during the first two weeks of January and the last two weeks of March combined. Mid-September through November, the information offices answer mostly application status and payment related inquiries.

Outside of peak public contact times, the information offices still receive thousands of contacts. During late spring, summer and late fall, information office staff focuses on eligibility work.

## Dividend Information Office Activity Summary

	Information Office			<i>Total</i>
	<i>Anchorage</i>	<i>Juneau</i>	<i>Fairbanks</i>	
<b>Telephone Calls</b>	<b>53,226</b>	<b>47,541</b>	<b>4,264</b>	<b>105,031</b>
<b>Counter Contacts</b>	<b>34,350</b>	<b>6,995</b>	<b>15,740</b>	<b>57,085</b>
<b>Correspondence</b>				
Email Responses	5,868	7,685	3,490	17,043
Written Responses to Applicant Letters	501	1,644	466	2,611
<b>Total Correspondence</b>	<b>6,369</b>	<b>9,329</b>	<b>3,956</b>	<b>19,654</b>
<b>Documents Processed</b>				
Applications Received	35,687	6,040	7,669	49,396
Changes of Address	10,612	3,993	1,529	16,134
Dividend Income Verifications <sup>1</sup>	15	1,953	0	1,968
Direct Deposit Changes/Withdrawals	9,572	16,199	1,251	27,022
Requests to Stop Payment of Check	5	307	2	314
<b>Total Documents Processed</b>	<b>55,891</b>	<b>28,492</b>	<b>10,451</b>	<b>94,834</b>
<b>Eligibility Determinations</b>				
Initial Review Cases	14,825	7,401	1,756	23,982
Missing Information Letters	13,941	8,079	3,059	25,079
Final Review Cases Closed	1,046	428	0	1,474
<b>Total Eligibility Determinations</b>	<b>29,812</b>	<b>15,908</b>	<b>4,815</b>	<b>50,535</b>

Number of toll free (1-800) calls received: 38,370

<sup>1</sup>Dividend income verifications are requests from agencies, i.e. Alaska Housing Finance Corporation (low-income housing), for confirmation that the applicant received a dividend. These verifications are used by agencies to determine eligibility for their programs.

## Summary of Questions Answered by Telephone

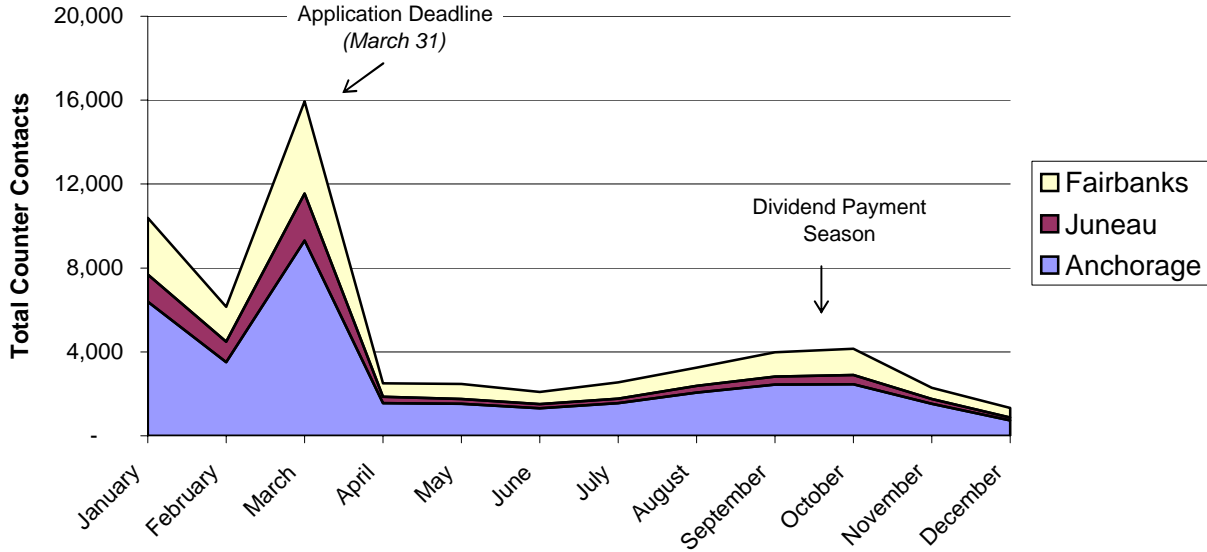
<b>Questions Regarding</b>	<b>Dividend Information Office</b>			
	<b>Total</b>	<b>Anchorage</b>	<b>Juneau</b>	<b>Fairbanks</b>
Status of application	44,409	21,012	21,835	1,562
Online application or myAlaska	14,462	6,419	7,285	758
Direct deposit	11,560	6,488	4,303	769
Eligibility	6,548	1,848	4,436	264
Garnishments or attachments	4,806	2,923	1,491	392
When will an applicant get their check	3,986	3,171	533	282
How to complete an application or form	3,465	2,261	1,068	136
Why an application was denied	3,018	1,011	1,853	154
Address verification or change	1,823	1,265	340	218
Receipt of documentation submitted	1,772	169	1,553	50
Status of an application in appeal	1,718	1,121	471	126
Miscellaneous	1,614	1,410	55	150
Status of an application in review	1,323	827	389	107
Why a person is not on file	1,009	173	798	38
Birth certificate	683	538	75	70
Extension request	619	387	222	10
Stop payment on a check	571	505	58	8
How to complete a supplemental schedule	422	402	16	4
Social Security number problem	406	246	133	27
Amount of the dividend for current or prior year	354	231	80	43
Deceased applicant	317	212	69	36
Request for forms	291	162	102	27
Absences and whether they are allowable for eligibility	214	71	138	5
Child's application when two or more people filed for the child	159	110	36	13
IRS requirements	151	44	96	11
UA College Savings program	114	93	4	17
Fraud tips	112	65	33	14
Requirements for being in Alaska (when an applicant is absent)	98	43	55	1
Eligibility for persons who are not U.S. Citizens	39	20	15	4
<b>Total Questions</b>	<b>106,063</b>	<b>53,226</b>	<b>47,541</b>	<b>5,296</b>
<b>Number of Individual Calls<sup>1</sup></b>	<b>105,031</b>	<b>53,226</b>	<b>47,541</b>	<b>4,264</b>

<sup>1</sup>More than one activity code may be entered on an individual telephone call when a call pertains to multiple questions. This may result in more questions than calls. The phones of non-information office division personnel, who assist the public during peak call times, do not have the ability to electronically record activity codes. Also, during late 2006, the conversion of the Anchorage Information Office to Voice over Internet Protocol (VoIP) phones resulted in a temporary loss of the ability to electronically record activity codes.

## Dividend Information Office Monthly Activity (Detail by Information Office)

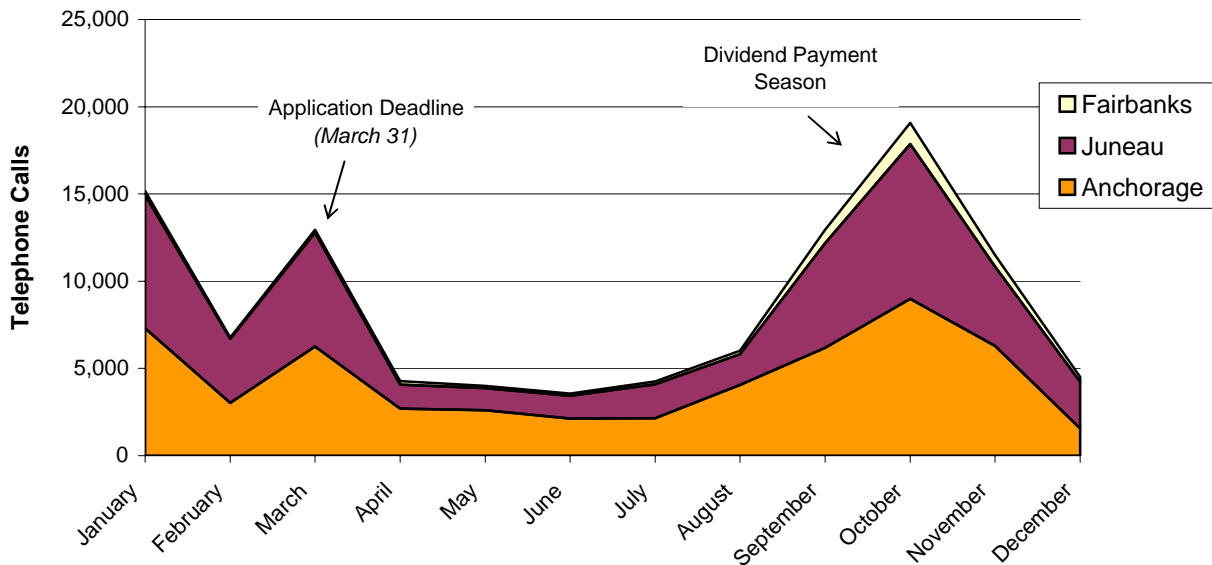
### Counter Contacts

Information office employees assist thousands of applicants who visit the local offices. During 2006, employees assisted 57,085 applicants in person.



### Telephone Calls

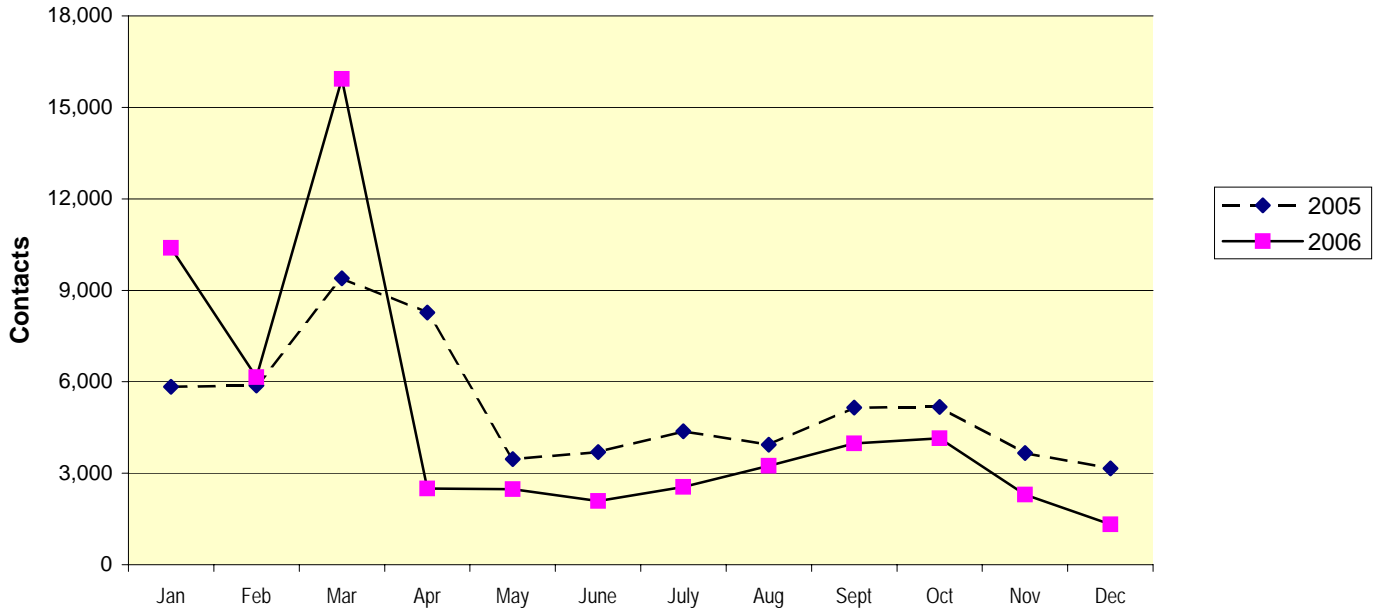
Information office employees respond to thousands of telephone calls each year from applicants requesting assistance. During 2006, employees helped 105,031 callers.



## Two-Year Comparison of Information Office Activity

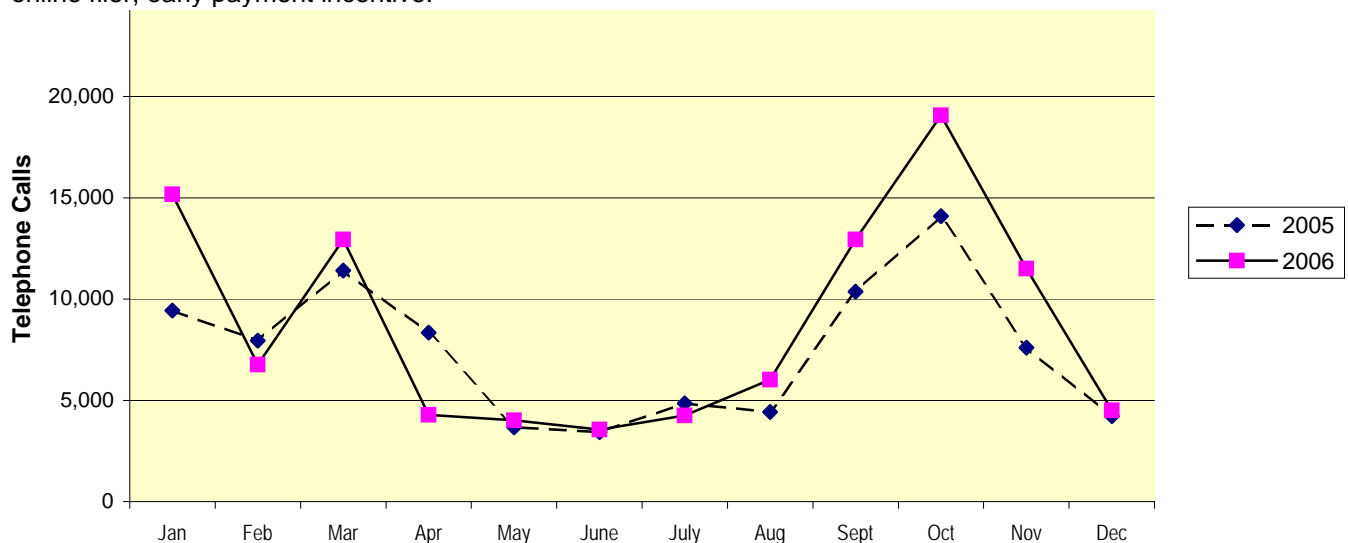
### Counter Contacts

Total counter contacts in 2005 and 2006 were 54,568 and 57,085, respectively. Counter contacts are greatest during March, immediately prior to the filing deadline. Counter contacts relate to persons seeking assistance for completing their application and inquiring about eligibility.



### Telephone Calls

Total telephone calls answered in 2005 and 2006 were 89,821 and 105,031, respectively. Telephone call activity is greatest in October when dividend payments are made. Calls during this time relate to the status of payments or garnishments. The 2006 increase in January calls was the result of the early online filer, early payment incentive.



# Review

As applications are loaded onto the division's database, some are flagged for further review due to data discrepancies and/or eligibility issues. PFD eligibility staff reviews all applications flagged.

Applications may go through three stages of processing: initial review, applicant response and final review, before a final eligibility determination can be made. When making determinations, staff verify establishment of Alaska residency, applicants' intent to remain an Alaska resident, reasons for absences from the state, and compliance with physical presence requirements. If it is determined that an applicant is not eligible for a dividend, staff issue automatic or customized letters notifying the applicant that his or her dividend application is denied and why. The letter also notifies the applicant of his or her right to appeal the decision.

## Initial Review

PFD eligibility staff research, examine and analyze documents, supplemental information and data. Staff considers the applicant's past filing history, actions and statements. They make determinations based on information available at the time of the initial review. If more information is needed, or an individual is not eligible for a dividend, automatic letters are generated at this stage.

## Applicant Response

PFD eligibility staff process new information provided by applicants in response to automatic letters requesting additional information. They research, examine and analyze documents, supplemental information and data. They make determinations based on all information available at this stage. Denial letters may be generated at this stage. Applications with complex eligibility issues or needing additional contact are moved to the Final Review stage.

## Final Review

PFD eligibility staff performs additional research and examination at this stage. Eligibility determinations are made based on all the information available, including that obtained through telephone contacts, email, and correspondence received from applicants and third parties. If an applicant does not meet all eligibility requirements of the PFD program, explanatory denial letters are issued.

While some applications for the dividend are denied, the majority of applicants whose applications are reviewed are found to be eligible.

## Initial Review Activity

2006 Initial Reviews		2005 Initial Reviews	
<b>2006</b>	<b>Worked</b>	<b>2005</b>	<b>Worked</b>
Jan	13,597	Jan	5,977
Feb	11,786	Feb	10,910
Mar	15,955	Mar	10,136
Apr	18,356	Apr	13,480
May	16,576	May	21,022
Jun	12,785	Jun	17,798
Jul	4,904	Jul	13,566
Aug	6,310	Aug	843
Sep	357	Sep	3,220
Oct	403	Oct	202
Nov	528	Nov	41
Dec	358	Dec	0
<b>Initial Reviews Processed</b>	<b>101,915</b>		<b>97,195</b>
<b>Total Applications Filed*</b>	<b>630,953</b>		<b>627,205</b>
<b>As % of Applications Filed</b>	<b>16%</b>		<b>15%</b>

2006 Requests for Information		2005 Requests for Information	
<b>2006</b>	<b>Sent</b>	<b>2005</b>	<b>Sent</b>
Jan	4,973	Jan	4,816
Feb	8,060	Feb	9,097
Mar	15,106	Mar	8,697
Apr	16,711	Apr	10,698
May	11,180	May	13,706
Jun	6,842	Jun	6,674
Jul	1,925	Jul	8,449
Aug	3,379	Aug	1,218
Sep	308	Sep	291
Oct	67	Oct	68
Nov	32	Nov	2
Dec	34	Dec	1
<b>Requests Sent</b>	<b>68,617</b>		<b>63,717</b>
<b>As % of Initial Reviews</b>	<b>67%</b>		<b>66%</b>
<b>As % of Applications Filed</b>	<b>11%</b>		<b>10%</b>

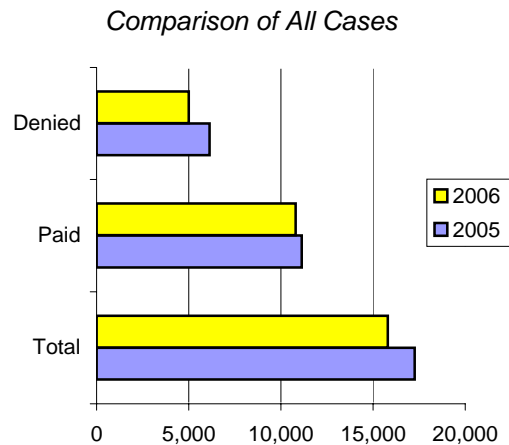
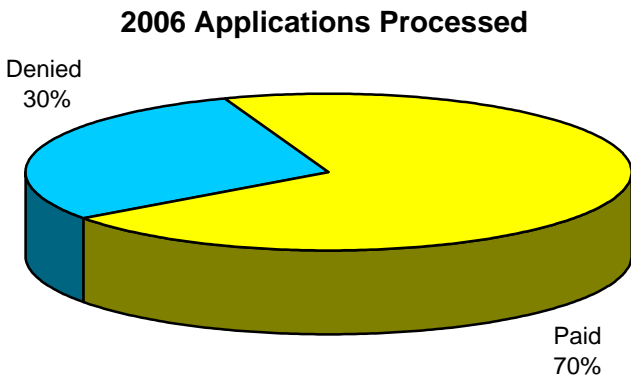
\* Includes duplicate applications which were submitted.



### Final Review Caseload Activity

2006 Applications				Prior Year Applications			
	Paid	Denied	Total		Paid	Denied	Total
Jan	188	20	208	Jan	343	437	780
Feb	807	213	1,020	Feb	53	46	99
Mar	287	82	369	Mar	27	38	65
Apr	417	142	559	Apr	32	56	88
May	957	283	1,240	May	15	23	38
Jun	814	374	1,188	Jun	9	17	26
Jul	301	213	514	Jul	19	35	54
Aug	1,065	168	1,233	Aug	27	11	38
Sep	2,052	270	2,322	Sep	5	4	9
Oct	1,882	282	2,164	Oct	4	2	6
Nov	1,046	588	1,634	Nov	10	6	16
Dec	443	1,662	2,105	Dec	4	23	27
<b>Processed in 2006</b>	<b>10,259</b>	<b>4,297</b>	<b>14,556</b>	<b>Processed in 2006</b>	<b>548</b>	<b>698</b>	<b>1,246</b>
<b>% Paid/Denied</b>	<b>70.5%</b>	<b>29.5%</b>		<b>% Paid/Denied</b>	<b>44.0%</b>	<b>56.0%</b>	
<b>Ending Inventory at 12/31/2006</b>			<b>1,830</b>				
<b>Total 2006 Final Review Cases</b>			<b>16,386</b>				

Total Cases (All Years) Worked in 2006: **15,802**  
 Total Cases (All Years) Worked in 2005: **17,254**



## Appeals

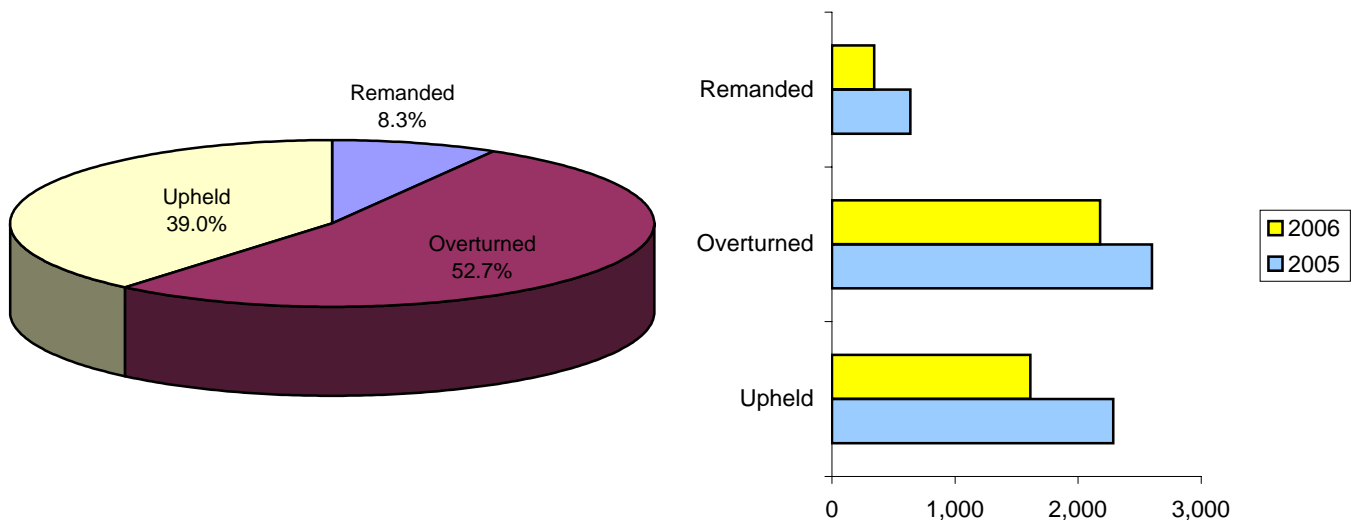
A person whose application is denied for payment may appeal to the PFD Division if he or she disagrees with the denial. If an application is denied, the applicant receives a letter from the division notifying him or her of the division's reason for denying the application. Along with the denial letter, the applicant receives a form that the applicant can complete to request an appeal.

The Appeals section conducts informal appeal conferences with applicants to make a determination to uphold or overturn the denial decision. Appeals staff reviews each appeal and develop facts relating to matters in dispute by the applicant and issue a written decision. If the applicant disagrees with the informal appeal decision, a formal hearing may be requested before an Administrative Law Judge in the statewide Office of Administrative Hearings in the Department of Administration. A PFD Appeals Officer represents the division at formal hearings.

## Informal Appeals Caseload Activity

Resolution of Cases Closed in 2005 and 2006 - Includes Current and Prior Dividend Years

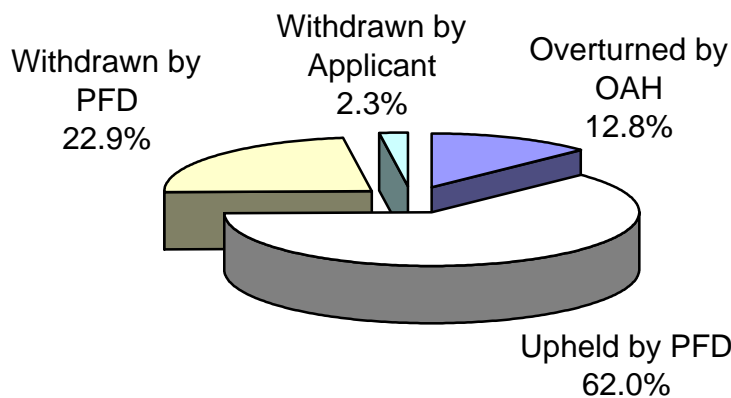
	Remanded to Review		Overturned and Paid		Upheld and Denied		Total	
	2005	2006	2005	2006	2005	2006	2005	2006
Jan	52	77	260	268	157	174	469	519
Feb	130	35	259	138	174	283	563	456
Mar	77	26	101	100	237	192	415	318
Apr	16	6	115	100	152	149	283	255
May	13	43	134	144	173	139	320	326
Jun	27	43	137	209	150	161	314	413
Jul	33	27	197	104	115	73	345	204
Aug	53	18	235	243	115	47	403	308
Sep	61	7	459	248	146	89	666	344
Oct	55	23	228	280	198	86	481	389
Nov	76	5	311	222	297	26	684	253
Dec	43	34	164	123	371	192	578	349
<b>Total</b>	<b>636</b>	<b>344</b>	<b>2,600</b>	<b>2,179</b>	<b>2,285</b>	<b>1,611</b>	<b>5,521</b>	<b>4,134</b>
	11.5%	8.3%	47.1%	52.7%	41.4%	39.0%	100%	100%



Inventory of cases at end of 2006: **2,616**  
 Oldest case at end of 2006: **6 months**

**Formal Appeals Caseload Activity**  
**Resolution of Cases Closed in 2005 and 2006**  
 Includes Current and Prior Dividend Years

	<b>Overtured by OAH and Paid</b>		<b>Upheld by OAH and Denied</b>		<b>Withdrawn by PFD and Paid</b>		<b>Withdrawn by Applicant and Denied</b>		<b>Total</b>	
	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006
Jan	2	1	2	11	12	8	3	0	19	20
Feb	3	7	13	24	17	5	1	0	34	36
Mar	0	4	3	38	14	11	1	0	18	53
Apr	2	8	6	30	4	9	0	3	12	50
May	0	17	0	35	14	9	0	0	14	61
Jun	8	2	13	13	6	9	0	0	27	24
Jul	1	2	14	45	14	18	0	1	29	66
Aug	4	1	21	37	12	8	0	2	37	48
Sep	1	5	21	20	20	8	0	0	42	33
Oct	3	7	35	28	4	9	1	4	43	48
Nov	17	3	47	7	8	13	0	0	72	23
Dec	14	4	28	7	7	2	0	1	49	14
<b>Total</b>	<b>55</b>	<b>61</b>	<b>203</b>	<b>295</b>	<b>132</b>	<b>109</b>	<b>6</b>	<b>11</b>	<b>396</b>	<b>476</b>
	13.9%	12.8%	51.3%	62.0%	33.3%	22.9%	1.5%	2.3%	100%	100%



## Fraud Investigations

The PFD Division investigates hundreds of applications each year based on information received from the public or other governmental agencies. Fraud tips are received from the public through direct contact, e-mail or the division's fraud tip telephone hotline. The division keeps the informant's name and identity confidential.

Additionally, the division conducts focused audits and investigates information that is obtained through the division's internal process and anomalies noted in processing applications.

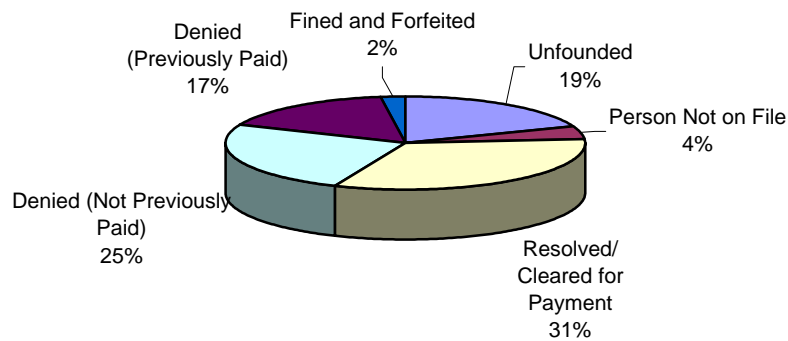
In 2006, the division received fewer fraud tips than in 2005, however, the number of individuals identified as having committed fraud and denied a dividend increased. The amount recovered from fraud tips and audits in 2006 was \$2,597,246, an increase of 38% from the 2005 total of \$1,876,535. After the money is recovered, it is deposited into the Dividend Fund to be included in the next dividend payment.

There were eight criminal indictments during 2006, three in Federal court and five in State court. The division also imposed 36 civil actions resulting in five year PFD forfeitures, and fines ranging from \$130 to \$904.

Summary of Fraud Tip Investigations

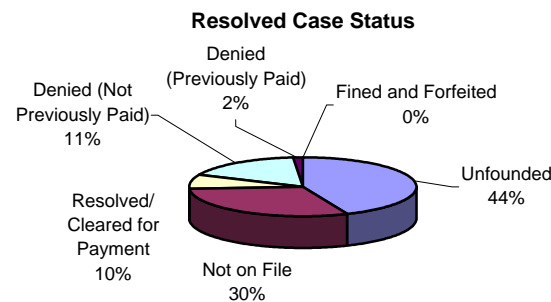
	Source of Tip		2006 Total	2005 Total
	Public	Government Agency		
<b>Caseload</b>				
Under Investigation carry over from 2005	284	151	435	253
Fraud Tips Received 2006	866	648	1,514	1,663
Resolved	1,043	603	1,646	1,532
<b>Total Caseload</b>	<b>1,909</b>	<b>1,251</b>	<b>1,949</b>	<b>1,967</b>
<b>Resolution Status</b>				
Unfounded	267	47	314	314
Person Not on File	66	8	74	52
Resolved/Cleared for Payment	337	203	540	459
Denied (Not Previously Paid)	220	190	410	369
Denied (Previously Paid)	133	139	272	249
Statement of Admissions	0	0	0	1
Fined and Forfeited	20	16	36	20
<b>Total Resolution Status</b>	<b>1,043</b>	<b>603</b>	<b>1,646</b>	<b>1,319</b>
<b>Assessment and Payments Denied</b>				
Denied (Previously Paid)	133	139	272	261
Amount Assessed to be Paid Back	\$147,654.64	\$161,510.43	\$309,165.07	\$302,017.28
Denied (Not Previously Paid)	220	190	410	399
Amount of Payments Denied	\$217,290.96	\$185,736.20	\$403,027.16	\$357,457.35
Forfeited/Fined	17	18	35	47
Amount of Forfeited	\$111,049.86	\$105,945.03	\$216,994.89	\$279,967.53
Amount Fined	\$5,627.00	\$4,762.00	\$10,389.00	\$13,317.00
<b>Total</b>	<b>370</b>	<b>347</b>	<b>717</b>	<b>707</b>
<b>Total Amount</b>	<b>\$481,622.46</b>	<b>\$457,953.66</b>	<b>\$939,576.12</b>	<b>\$952,759.15</b>

Resolved Case Status of 2006 Investigations Cases



Summary of Audit Investigations

	Audit Project						2006 Total	2005
	Out-of-State Postmark	Out-of-State IP	Jury	DMV	Elections	DD Return		
<b>Caseload</b>								
Under Investigation	0	0	0	7	0	0	7	13
Resolved	337	1,261	1,480	5,021	150	85	8,334	8,037
<b>Total Caseload</b>	<b>337</b>	<b>1,261</b>	<b>1,480</b>	<b>5,028</b>	<b>150</b>	<b>85</b>	<b>8,341</b>	<b>8,050</b>
<b>Resolved Case Status</b>								
Unfounded	0	2	1,347	2,286	2	0	3,637	1,400
Not on File	0	0	0	2,518	0	0	2,518	4,817
Resolved/Cleared for Payment	126	334	33	76	66	12	647	767
Denied (Not Previously Paid)	211	920	68	127	81	12	1,419	918
Denied (Previously Paid)	0	5	32	13	1	61	112	131
Fined and Forfeited		0	0	1	0	0	1	4
<b>Total</b>	<b>337</b>	<b>1,261</b>	<b>1,480</b>	<b>5,021</b>	<b>150</b>	<b>85</b>	<b>8,334</b>	<b>8,037</b>
<b>Assessments and Payments Denied</b>								
Denied (Not Previously Paid)	211	920	68	127	81	12	1,419	918
Amount of Payments Denied	\$233,568.56	\$1,017,880.80	\$72,922.48	\$131,777.20	\$89,663.76	\$10,149.12	\$1,555,961.92	\$777,370.72
Denied (Previously Paid)	0	5	32	13	1	61	112	131
Amount Assessed	\$0.00	\$4,564.08	\$27,138.40	\$11,068.96	\$845.76	\$51,591.36	\$95,208.56	\$121,409.04
Forfeited/Fined	0	0	0	1	0	0	1	4
Amount of Forfeited	\$0.00	\$0.00	\$0.00	\$6,284.66	\$0.00	\$0.00	\$6,284.66	\$23,916.77
Amount Fined	\$0.00	\$0.00	\$0.00	\$215.00	\$0.00	\$0.00	\$215.00	\$1,080.00
<b>Total</b>	<b>\$233,568.56</b>	<b>\$1,022,444.88</b>	<b>\$100,060.88</b>	<b>\$149,345.82</b>	<b>\$90,509.52</b>	<b>\$61,740.48</b>	<b>\$1,657,670.14</b>	<b>\$923,776.53</b>



## Data Processing

Processing over 625,000 PFD applications annually and producing timely and accurate payments require extensive computer resources. The division uses mainframe, client server, imaging, and web applications to accomplish the task. PFD computer programs are maintained and updated at least annually by the DP staff to reflect statutory, regulatory, or administrative changes.

PFD is a leader in the state's use of electronic signatures to conduct business. In 2006, 230,000 Alaskans filed online and signed their applications electronically. Another 127,000 Alaskans filed online and mailed in hand signed certifications.

Through the division's web site, applicants can apply online or access paper forms; find the PFD statutes and regulations, general information about eligibility and specific information for students and the military; check the status of current year applications; and access links to other governmental entities that might be needed to obtain supplemental information. The use of online application and other web services results in efficiencies in program administration and better service to Alaskans.

Since the implementation of imaging in 2000, over 16 million paper applications and supplemental documents have been scanned and stored in the server data base. Current and prior year records are accessed by staff in the course of determining eligibility and providing other assistance.

With the implementation of OCR (Optical Character Recognition) and OMR (Optical Mark Recognition), over 53% of the one million documents received by the division in 2006 were automatically identified by form type.

DP staff is currently developing replacement applications for the original, and now outdated, Dividend Application System. When completed, all applications, except mass printing, will be located on client servers rather than the state mainframe. Future electronic developments may include the ability for applicants to change personal information online, Interactive Voice Response (IVR) for application or updating information; and broader use of OCR and OMR.



This publication was released by the Alaska Department of Revenue and produced at a cost of \$5.65 per copy including printing and binding at Capitol Copy, Ltd. located in Juneau, Alaska. Its purpose is to provide the public with comprehensive information and data regarding the Permanent Fund Dividend program.

The Department of Revenue complies with Title II of the Americans with Disabilities Act of 1990. This publication is available in alternative communication formats upon request. Please contact the division's representative at (907) 465-2326 to make necessary arrangements.