

PERMANENT FUND DIVIDEND DIVISION

ANNUAL REPORT 2020

State of Alaska, Department of Revenue



Mendenhall Glacier
Photo by Delilah Bernaldo

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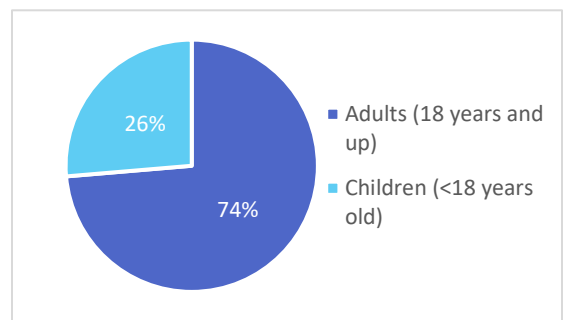
DIVIDEND SUMMARY

The 2020 Permanent Fund Dividend (PFD) amount was **\$992.00** for each of the **630,937** qualified applicants, totaling a distribution of roughly **\$625,889,504** ~~\$597,022,299.00~~ (formatting error from underlying report – calculation corrected) by the end of the year.

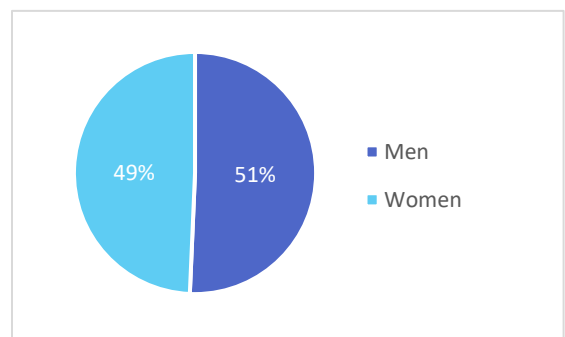
DIVIDEND OVERVIEW

During the 2020 calendar year, the Division received 673,371 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 This number includes all valid applications, invalid, duplicate, withdrawn, applications for prior year dividends, and applications submitted solely to establish sponsor eligibility. If we remove all the invalid, duplicate, and withdrawn applications, the division received a total of 666,388 valid applications.

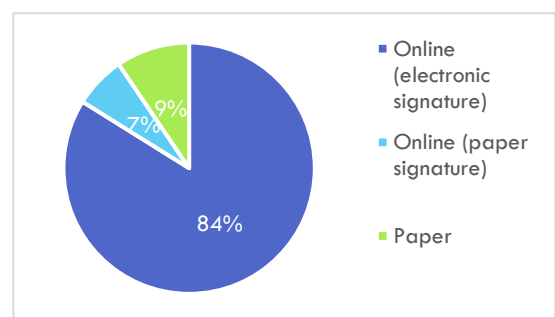
Applicants by Age (valid 2020 dividend only)		
Group	Filed	%
Adults (18 years and up)	494,754	74.24%
Children (<18 years old)	171,634	25.76%
Total	666,388	100.00%



Applicants by Gender (valid 2020 dividend only)		
Group	Filed	%
Men	336,922	50.56%
Women	329,467	49.44%
Total	666,388	100.00%



Applicants by Filing Method (valid 2020 dividend only)		
Method	Filed	%
Online (electronic signature)	559,233	83.92%
Online (paper signature)	44,190	6.63%
Paper	62,965	9.45%
Total	666,388	100.00%



DIVIDEND SUMMARY

DIVIDEND CALCULATION

In 2020, 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, 2021, such as the estate and disabled applications.

Amount Available for Dividends

FY 21 PFD Fund Beginning Balance	\$(2,615,373.97)	
Expenditures to date	\$(1,700,000.00)	
PFD Fund Balance as of July 1, 2020		\$(4,315,373.97)
Transfer from Permanent Fund Corporation		
Permanent Fund Earnings (5-year average)	\$680,000,000.00	
Less Appropriations (<i>see below</i>)	\$(40,047,300.00)	
Net Transfer from Permanent Fund Corporation		\$639,952,700.00
Reductions (<i>see below</i>)		\$(878,335.33)
Total Amount Available for Dividends		\$634,758,990.70
Total estimated number of eligible applicants:	639,877	

Appropriations and Reductions Detail

Appropriations

Department of Health and Social Services		
Hold-Harmless Provision for Public Assistance		\$17,724,700.00
Department of Corrections		
Physical Health Care	\$12,139,100.00	
Public Safety Council on Domestic Violence	\$144,800.00	
Office of Victim's Rights	\$607,300.00	
Total Department of Corrections		\$12,891,200.00
Department of Revenue, PFD Division		
Administrative Cost	\$7,838,100.00	
Total Department of Revenue, PFD Division		\$7,838,100.00
Department of Administration		
Violent Crimes Compensation Board		\$1,593,300.00

Total Appropriations		\$40,047,300.00
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Reductions

Reserve for Prior Year Dividend Liabilities	\$618,948.33
Reserve for 18-Year-Old Applications for Prior Years	\$213,387.00
Reserve for Resource Rebate Payments	\$46,000.00

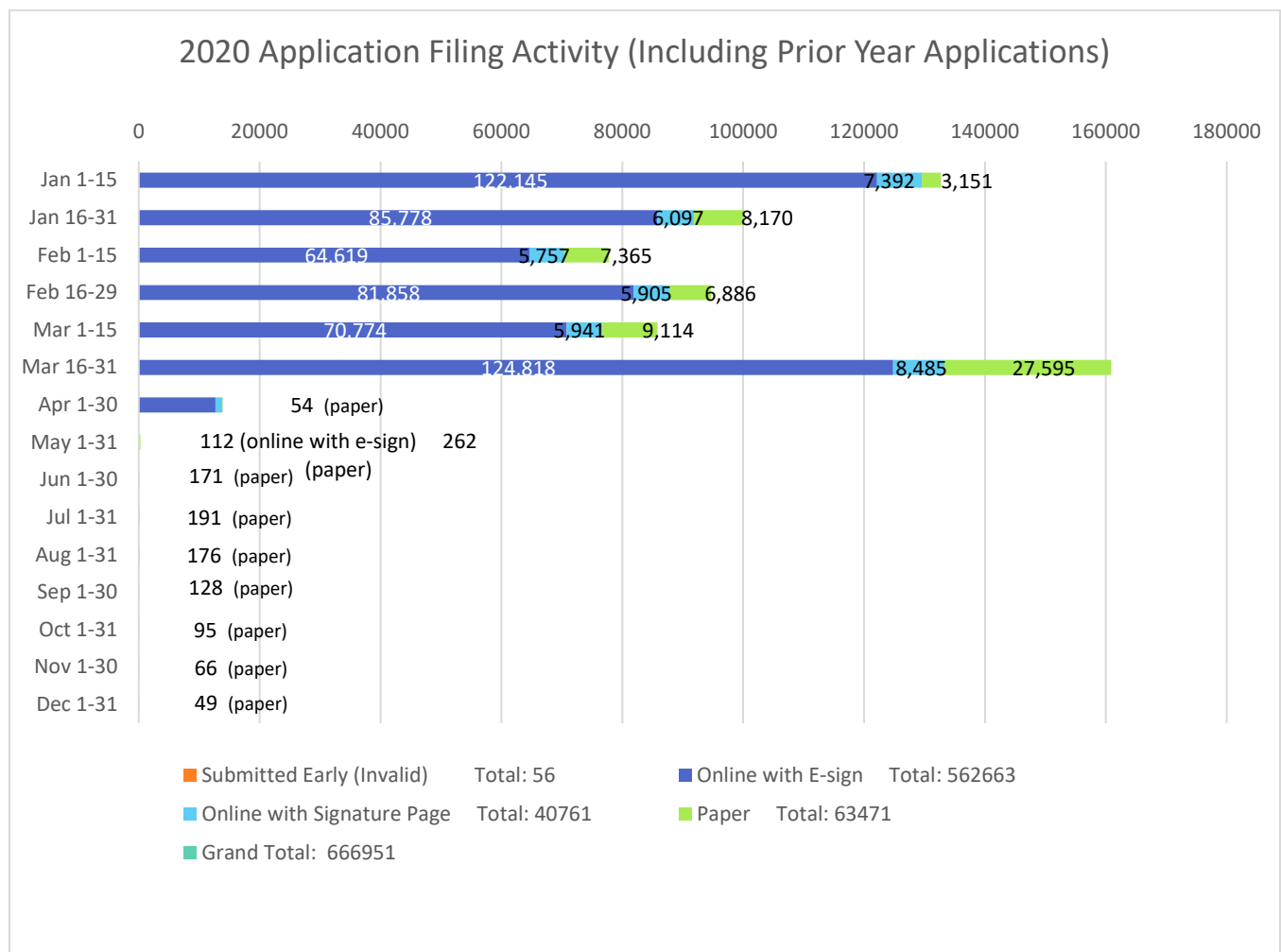
Total Reductions	\$878,335.33
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Total Appropriations and Reductions Detail	\$40,925,635.33
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APPLICANT FILING ACTIVITY

Typically, the application filing period runs from **January 1st through March 31st** each year. In 2020, however, due to the COVID-19 pandemic, the filing period was extended to **April 30th**, to provide additional time for applicants to submit their applications. The table below contains detailed numbers gathered during the 2020 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 2020 totaled 673,371, 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 2020)



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 2020 Dividend was from Jan. 1, 2019 to Dec. 31, 2019.

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.

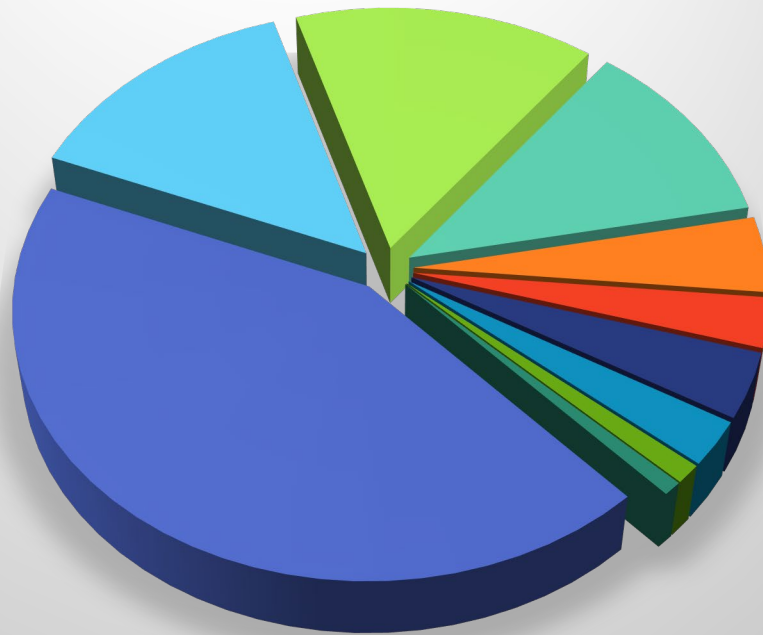
Some absence types only apply to ADULT applicants, others only to CHILDREN, and others to either group.

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

- Other (now includes vacation) -- 15,809 applicants reported
- Post Secondary Education (Full time college) -- 5,525
- Accompanying an Eligible Resident -- 5,195
- Armed Forces -- 4,230
- Employment -- 1,675

Top 10 Applicant Reported Absences in 2020

- 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 2020 Dividend applications only, representing absences during the 2019 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	555	707	1,262	1,319	2,614	3,933	5,195
U.S. Armed Forces active duty	904	--	904	3,326	--	3,326	4,230
Served as a member of Alaska's Congressional delegation or staff	10	--	10	29	--	29	39
Sought Employment outside of the state	1,093	--	1,093	582	--	582	1,675
Absent as part of a Legal Custody agreement	--	88	88	--	60	60	148
Cared for a direct relative with a critical life-threatening illness	228	7	235	63	1	64	299
Received continuous Medical Treatment	977	75	1,052	320	75	395	1,447
Served aboard a Merchant Marine Vessel	36	--	36	33	--	33	69
No reason specified	53	8	61	64	12	76	137
Trained or competed as a U.S. Olympic Team member	7	2	9	7	1	8	17
Other, including business & vacation	11,199	820	12,019	3,236	554	3,790	15,809
Served as a federal Peace Corps volunteer	9	--	9	19	--	19	28
Enrolled as a full-time student (Postsecondary Education)	1,889	8	1,897	3,619	9	3,628	5,525
Enrolled as a full-time student (grades 7-12)	406	108	514	419	62	481	995
Settled the Estate of a deceased relative	242	0	242	52	--	52	294
Employed by the State of Alaska	32	0	32	16	--	16	48
Student Fellowship sponsored by the U.S. DOE	42	--	42	19	--	19	61
Cared for a terminally ill family member	258	8	266	148	1	149	415
Unknown Absence	0	0	0	0	0	0	0

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 2020.
- 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	436,344	Child Online	157,310
Adult Paper	50,688	Child Paper	10,823
Adult Refile (After filing deadline)	167	Child Refile (After filing deadline)	38
Application on Behalf of Another Adult (online and paper)	4,846	Child in Custody of Health and Social Services	3,429
Disabled Individual	162	Estate of Deceased Child	22
Estate of Deceased Adult	900	Child Application filed by Tribal Court	107
Office of Public Advocacy	1,647		
Total Valid Adult Applications			494,754
Total Valid Child Applications			171,729
Prior Year 18-Year-Old Filers (any dividend year)			12
All other Prior-year Dividend Applications			563
Total Valid Applications (any dividend year)			667,058
Invalid, Duplicate, Withdrawn, or Applications Submitted Solely to Establish Sponsor Eligibility			6,420
Total Applications received during 2020			673,478

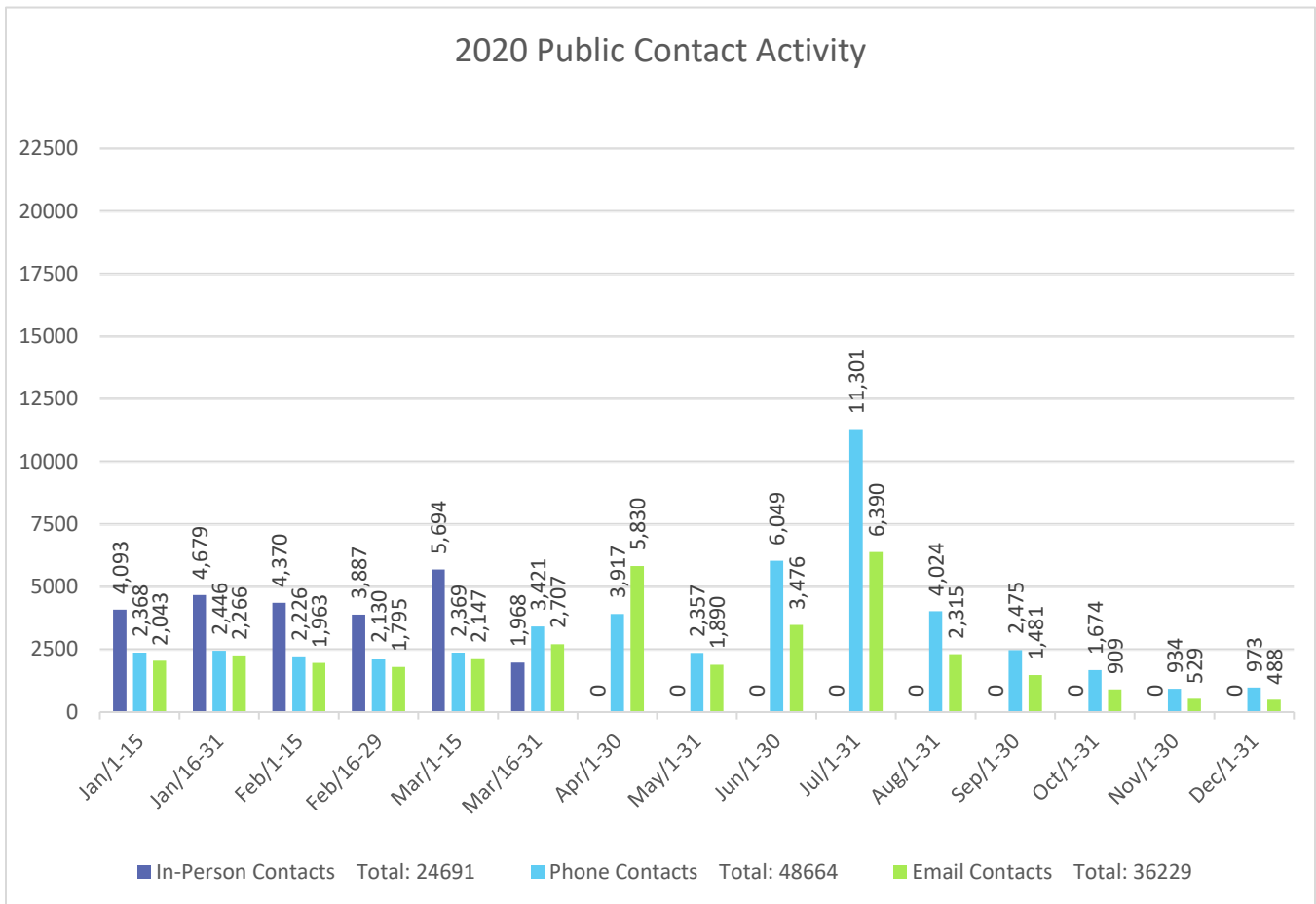
DIVISION PROCESSING ACTIVITY

Division Processing Activity

PUBLIC CONTACT

The application filing period runs from **January 1st through March 31st** each year, encompassing January through March on the bar graph below. In 2020, due to the COVID-19 pandemic and subsequent lockdowns, the Governor extended the filing season to April 30th. This was done to provide Alaskans with more time to file after our offices were closed to in-person contact, due to the lockdowns.

- 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. Electronic contact directly between individual PFD technicians and applicants are not represented.



DIVISION PROCESSING ACTIVITY

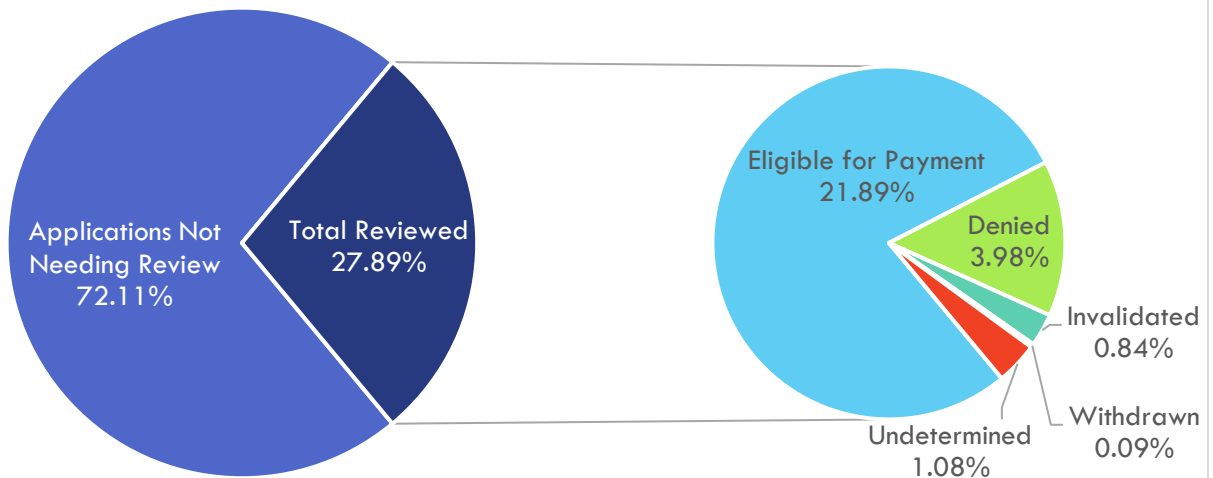
ELIGIBILITY REVIEW

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.

2020 Eligibility Review Determination Breakdown



YEAR	TOTAL APPLICATIONS RECEIVED	MARKED FOR REVIEW	ELIGIBILITY REVIEW RESULT				
			Eligible for Payment	Denied	Invalidated	Withdrawn	Undetermined
2020	673,371	187,786	147,407	26,825	5,659	609	7,286
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

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.

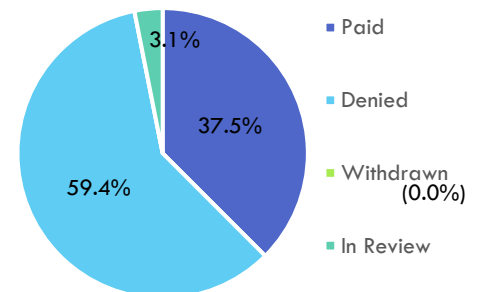
In accordance with state regulations, the Division can deny an application if it reveals that an individual has provided incorrect information, such as failing to disclose a reportable absence to the Division.

2020 dividend dollars NOT paid to applicants due to audit identification of ineligibility: **\$555,520.00**

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.

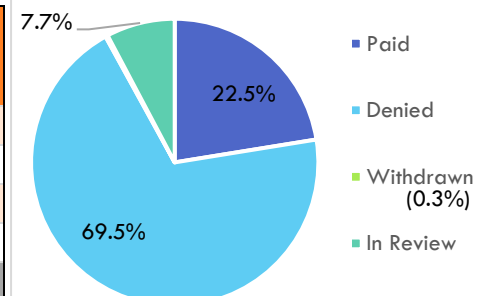
Audit Result	# of Apps	% of this audit	% of total Apps audited	% of total Apps received
Paid	12	37.50%	1.48%	0.002%
Denied	19	59.38%	2.35%	0.003%
Withdrawn	-	0.00%	0.00%	0.000%
In Review	1	3.13%	0.12%	0.000%
Total	32	100.00%	3.95%	0.005%



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	174	22.45%	21.48%	0.03%
Denied	539	69.55%	66.54%	0.08%
Withdrawn	2	0.26%	0.25%	0.00%
In Review	60	7.74%	7.41%	0.01%
Total	775	100.00%	95.68%	0.12%



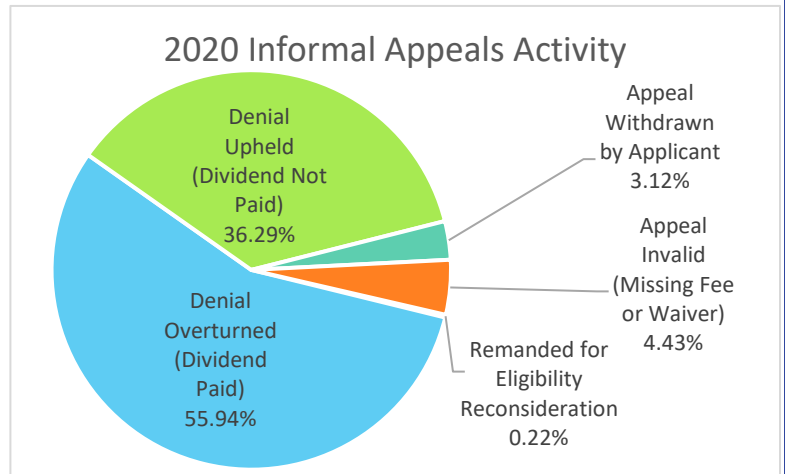
* The National Change of Address (NCOA) Audit was created in Dividend Year 2010. The United States Postal Service reports information to us on current applicants who have submitted a change of address that does not match the PFD address on file. This data is used largely to keep in contact with applicants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

DIVISION PROCESSING ACTIVITY

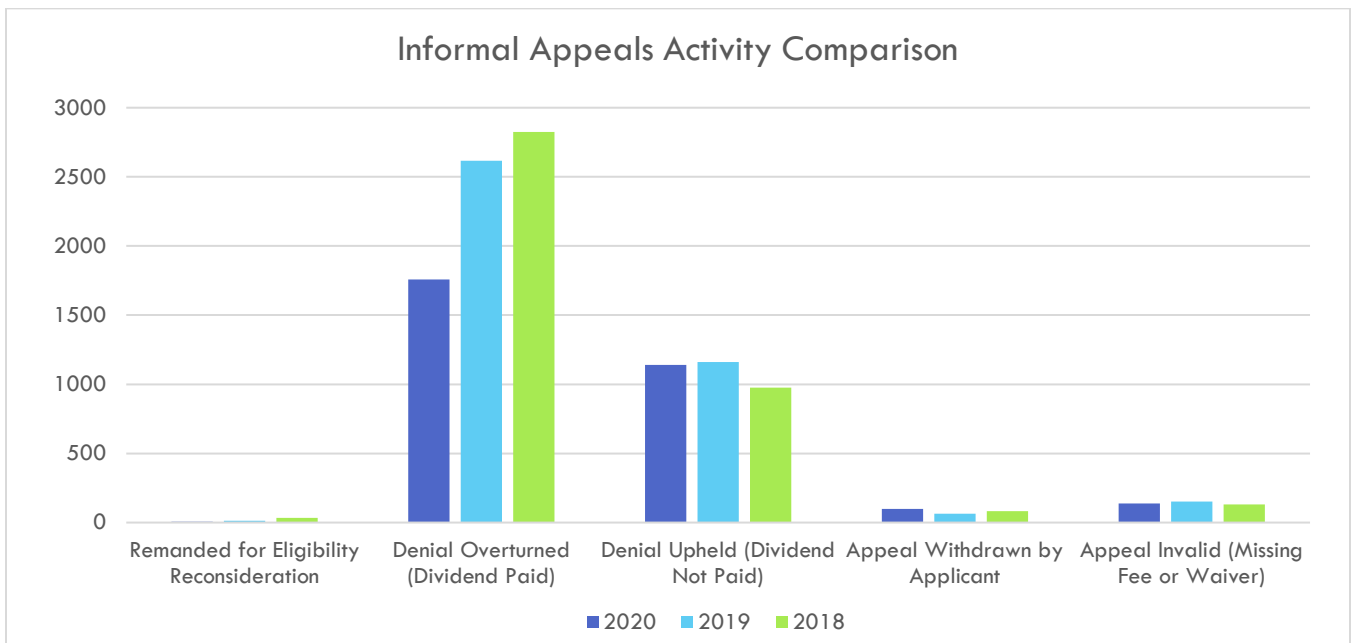
APPEALS

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
2020	7	1,757	1,140	98	139	3,141
2019	13	2,616	1,160	63	151	4,003
2018	35	2,824	975	82	132	4,048



DIVISION PROCESSING ACTIVITY

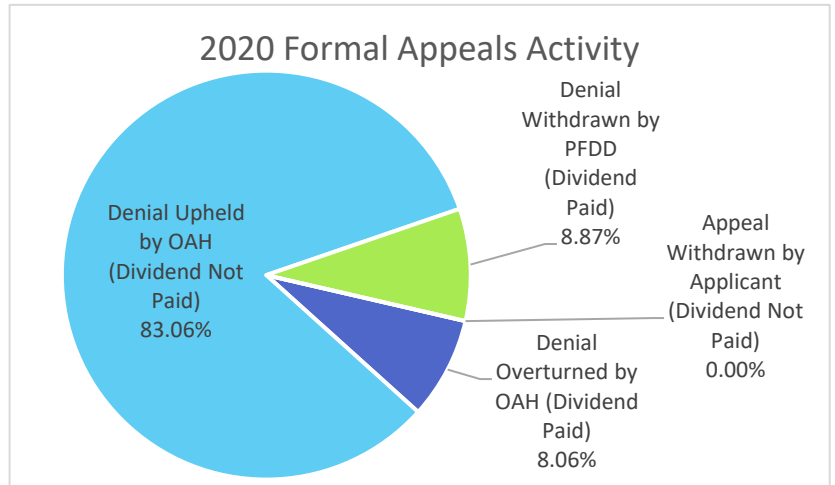
Formal Appeals

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.

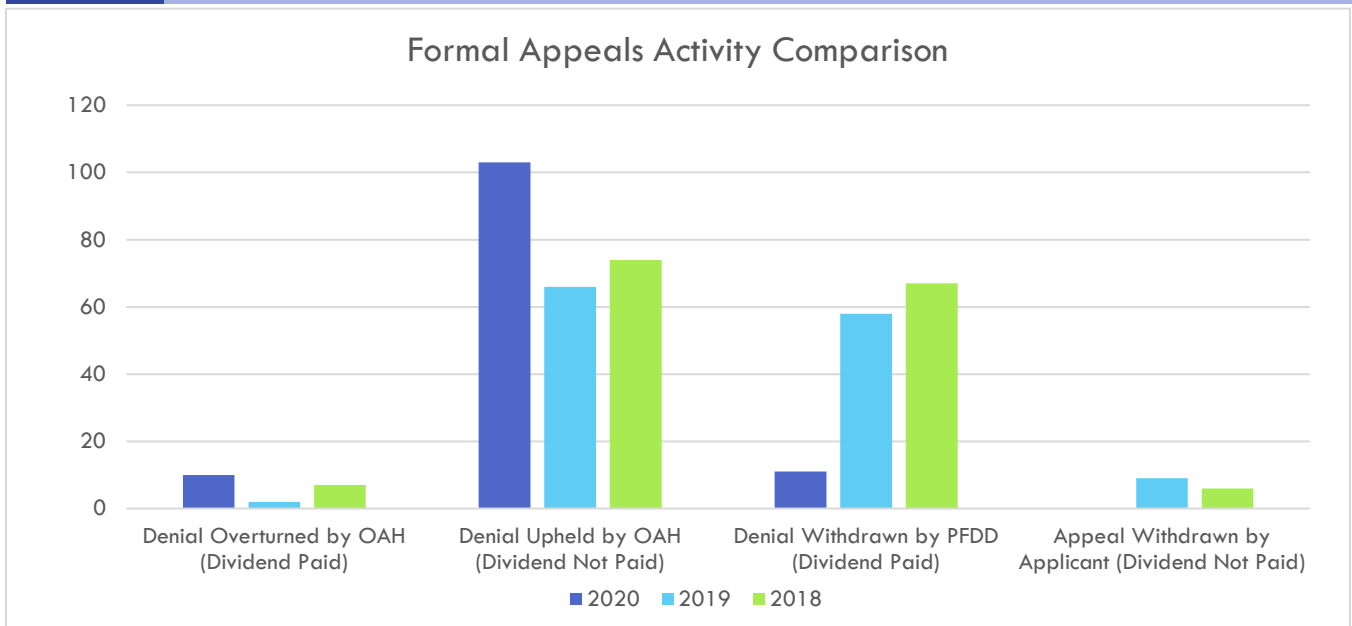
If the individual does not concur with the Division's decision, he or she has 30 days from the date of the decision letter to file a Request for Formal Hearing Appeal form, explaining and supporting their position.

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.



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
2020	10	103	11	0	124
2019	2	66	58	9	135
2018	7	74	67	6	154



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. In 2020, the legislature passed legislation that included an early PFD payout on July 1st to Alaskans. This shortened the garnishment season and the amount of time that agencies had to submit their garnishment requests.

Top Ten Agency Filers	Submitted	
	Number of Requests	Amount
MUNICIPALITY OF ANCHORAGE - ANCHORAGE	120,468	\$22,009,810.40
CLERK OF COURT - ANCHORAGE	26,171	\$318,106,751.90
CITY OF PALMER - PALMER	1,704	\$455,821.37
CITY & BOROUGH OF JUNEAU - JUNEAU	12,286	\$1,449,123.98
CHILD SUPPORT SERVICES DIVISION - ANCHORAGE	10,909	\$5,137,355.59
CITY OF WASILLA - WASILLA	4,661	\$385,934.84
CITY OF SOLDOTNA - SOLDOTNA	3,504	\$329,002.00
DEPARTMENT OF LABOR - JUNEAU	2,148	\$5,980,173.39
CITY OF FAIRBANKS - FAIRBANKS	1,828	\$434,689.34
CLERK OF COURT - JUNEAU	1,710	\$7,033,303.53
Total of Top Ten Agencies	185,389	\$361,321,966.34
Total of Other Agencies	19,598	\$64,657,012.70
Total - All Garnishing Agencies	204,987	\$425,978,979.04

Top Ten Agency Filers	Paid		
	Payments	Amount	Average
MUNICIPALITY OF ANCHORAGE - ANCHORAGE	28,334	\$3,495,967.35	\$123.38
CLERK OF COURT - ANCHORAGE	9,323	\$6,634,555.26	\$711.63
CITY OF FAIRBANKS - FAIRBANKS	324	\$75,942.09	\$234.39
CITY & BOROUGH OF JUNEAU - JUNEAU	2,140	\$203,643.85	\$95.16
CHILD SUPPORT SERVICES DIVISION - ANCHORAGE	8,343	\$6,550,238.96	\$785.12
CITY OF WASILLA - WASILLA	1,567	\$121,545.55	\$77.57
CITY OF SOLDOTNA - SOLDOTNA	725	\$49,197.04	\$67.86
IRS BACKUP WITHHOLDING - ANCHORAGE	1,378	\$328,074.24	\$238.08
AK. COMM. POSTSECONDARY EDUCATION - JUNEAU	1,046	\$1,004,965.71	\$960.77
UNIVERSITY OF ALASKA - Anchorage	594	\$388,276.07	\$653.66
Total of Top Ten Agencies	53,774	\$18,852,406.12	
Total of Other Agencies	15,601	\$7,942,174.89	
Total - All Garnishing Agencies	69,375	\$26,794,581.01	

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
TLINGIT-HAIDA REGIONAL - JUNEAU	118	\$43,800.00
BERING STRAITS REGIONAL HOUSING - NOME	47	\$13,290.04
MUNICIPALITY OF ANCHORAGE - ANCHORAGE	41	\$8,192.00
DEPARTMENT OF H&SS, PUBLIC ASSISTANCE - JUNEAU	37	\$0.00
CITY OF DILLINGHAM - DILLINGHAM	23	\$5,405.00
DEPARTMENT OF COMMERCE, DIVISION OF INVESTMENTS - JUNEAU	17	\$0.00
CITY OF KAKE - KAKE	14	\$800.00
AVCP HOUSING AUTHORITY - BETHEL	13	\$0.01
NORTH PACIFIC RIM - ANCHORAGE	9	\$732.00
CITY OF FORT YUKON - FORT YUKON	8	\$4,093.90
Total of Top Ten Agencies	327	\$76,312.95
Total of Other Agencies	32	\$24,530.70
Total - All Garnishing Agencies	359	\$100,843.65

Top Ten Assignees	Paid		
	Payments	Amount	Average
TLINGIT-HAIDA REGIONAL - JUNEAU	108	\$69,583.00	\$644.29
BERING STRAITS REGIONAL HOUSING - NOME	41	\$36,707.00	\$895.29
MUNICIPALITY OF ANCHORAGE - ANCHORAGE	20	\$8,526.52	\$426.33
DEPARTMENT OF H&SS, PUBLIC ASSISTANCE - JUNEAU	22	\$20,369.83	\$925.90
DEPARTMENT OF COMMERCE, DIVISION OF INVESTMENTS - JUNEAU	14	\$13,846.00	\$989.00
CITY OF KAKE - KAKE	13	\$9,222.00	\$709.38
AVCP HOUSING AUTHORITY - BETHEL	10	\$8,912.00	\$891.20
NORTH PACIFIC RIM - ANCHORAGE	9	\$8,152.00	\$905.78
CITY OF FORT YUKON - FORT YUKON	8	\$5,073.90	\$634.24
ALEUTIAN HOUSING AUTHORITY - ANCHORAGE	7	\$6,840.00	\$977.14
Total of Top Ten Agencies	252	\$187,232.25	
Total of Other Agencies	24	\$15,225.96	
Total - All Garnishing Agencies	276	\$202,458.21	

DIVISION PROCESSING ACTIVITY

PAYMENTS

The first dividend payment disbursement for a typical dividend year begins on the first Thursday in October and continues on a monthly cycle thereafter. 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. In 2020, in consideration of the economic impacts of the COVID-19 pandemic, the Legislature passed legislation to pay out the Dividend on July 1st. Even though this sped up PFD's timeline for payment by a full 3 months, the Division was able to successfully pay out over \$592 million to just under 600,000 Alaskans on July 1st.

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, 2020 only on 2020 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 2020 Dividends through Dec. 31, 2020

	Applicants	Payment Method Percent	Total Amount
Applicants Paid by Direct Deposit			
Full Dividend Payment to Applicant	502,009	79.56%	\$497,992,928.00
Payment to Applicant after Voluntary and/or Involuntary Deductions	56,935	9.02%	\$40,201,024.00
Total Number of Applicants Paid by Direct Deposit	558,944	88.58%	\$538,193,952.00
Applicants Paid by Check			
Full Dividend Payment to Applicant	46,974	7.44%	\$46,598,208.00
Partial Payment to Applicant- Voluntary and/or Involuntary Deductions	7,028	1.11%	\$3,929,905.00
Total Number of Applicants Paid by Check	54,002	8.56%	\$50,528,113.00
Applicants Paid by Combination of Direct Deposit and Check			
Mixed payments, with and without deductions	10,508	1.67%	\$841,386.00
Total 2020 Dividends to Applicants (all categories above)	623,454	98.81%	\$589,563,451.00
Eligible Dividends Fully Reduced by Garnishments and/or Levies (Involuntary Deductions)	7,519	1.19%	\$7,458,848.00
Total 2020 Dividend Paid (Including Adjustments)	630,973	100.00%	\$597,022,299.00

DIVISION PROCESSING ACTIVITY

Applications Paid in 2020 for Prior Year Dividends

Prior year dividends may have been issued during 2020 for any the following reasons:

- Applications for the 2019 and previous year's dividends that were still in review or appeal at the end of calendar year 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).
- 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
2019	7,331	\$1,606.00	\$11,773,586.00
2018	307	\$1,600.00	\$491,200.00
2017	212	\$1,100.00	\$233,200.00
2016	76	\$1,022.00	\$77,672.00
2015	43	\$2,072.00	\$89,096.00
2014	50	\$1,884.00	\$94,200.00
2013	35	\$900.00	\$31,500.00
2012	38	\$878.00	\$33,364.00
2011	30	\$1,174.00	\$35,220.00
2010	38	\$1,281.00	\$48,678.00
2009	15	\$1,305.00	\$19,575.00
*2008	22	\$2,069.00	\$45,518.00
2007	32	\$1,654.00	\$52,928.00
2006	35	\$1,106.96	\$38,743.60
2005	23	\$845.76	\$19,452.48
2004	16	\$919.84	\$14,717.44
2003	18	\$1,107.56	\$19,936.08
2002	21	\$1,540.76	\$32,355.96
2001	2	\$1,850.28	\$3,700.56
2000	3	\$1,963.86	\$5,891.58
1999	2	\$1,769.84	\$3,539.68
1998	2	\$1,540.88	\$3,081.76
1997	1	\$1,296.54	\$1,296.54
1996	1	\$1,130.68	\$1,130.68
Total	8,353	--	\$13,169,583.36

* 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	2020		2019		2018	
<u>Filing Activity</u>	Total	Percent Total	Total	Percent Total	Total	Percent Total
Applicants						
Adult	494,754	74.24%	494,458	74.08%	490,681	73.86%
Child	171,634	25.76%	173,026	25.92%	173,629	26.14%
Total	666,388	100.00%	667,484	100.00%	664,310	100.00%
Application Status						
Eligible for Payment	632,350	94.90%	633,243	94.91%	631,658	95.08%
Denied and not in appeal	26,366	3.96%	23,152	3.47%	27,188	4.09%
Denied and in appeal	559	0.08%	1,152	0.17%	1,187	0.18%
In Review	7,071	1.06%	9,626	1.44%	4,277	0.64%
Total	666,346	100.00%	667,173	100.00%	664,310	100.00%

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Note:

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

Dividend Year	2020		2019		2018	
<u>Payment Status</u>	Total	Percent Total	Total	Percent Total	Total	Percent Total
Paid by Direct Deposit	558,944	83.88%	550,243	82.44%	536,702	80.79%
Paid by Warrant	54,002	8.10%	64,219	9.62%	75,083	11.30%
Paid by Multiple Methods	10,508	1.58%	10,972	1.64%	11,358	1.71%
Fully Reduced	7,519	1.13%	6,118	0.92%	6,677	1.01%
Not Paid (as of Dec. 31)	35,415	5.31%	35,931	5.38%	34,490	5.19%
Total	666,388	100.00%	667,483	100.00%	664,310	100.00%

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	2020	2019	2018	2017
Carry Over from Previous Year	210	275	607	455
# of Criminal Cases > 12 Months Old	8	157		
Fraud Tips Received	640	513	739	696
Total Caseload	50			
Resolution Status (Administrative)				
Not yet screened	0	0	0	0
No Fraud Found-cleared	480	459	356	379
Fraud Found-Remanded	210	58	130	149
Fraud Found-To OSP	5	15	19	16
Resolution Status (Criminal)				
Non-criminal Settlement at OSP	3	0	1	3
Acquittals	0	0	0	0
Convictions	2	15	13	16
Recovery				
Criminal Restitution Ordered	\$15,907.00	\$84,332.00	\$71,832.00	\$91,469.12
Criminal Settlements Received	\$33,658.00	\$34,972.00	\$9,386.00	\$21,188.00
Loss Due to Statute of Limitations	\$0.00	\$0.00	\$0.00	\$1,174.00
Pending Resolution				
Admin Recovery	\$841,850.00	\$209,292.00	\$660,130.12	\$673,286.56
Criminal Recovery	\$263,739.00	\$84,332.00	\$71,832.00	\$90,295.12

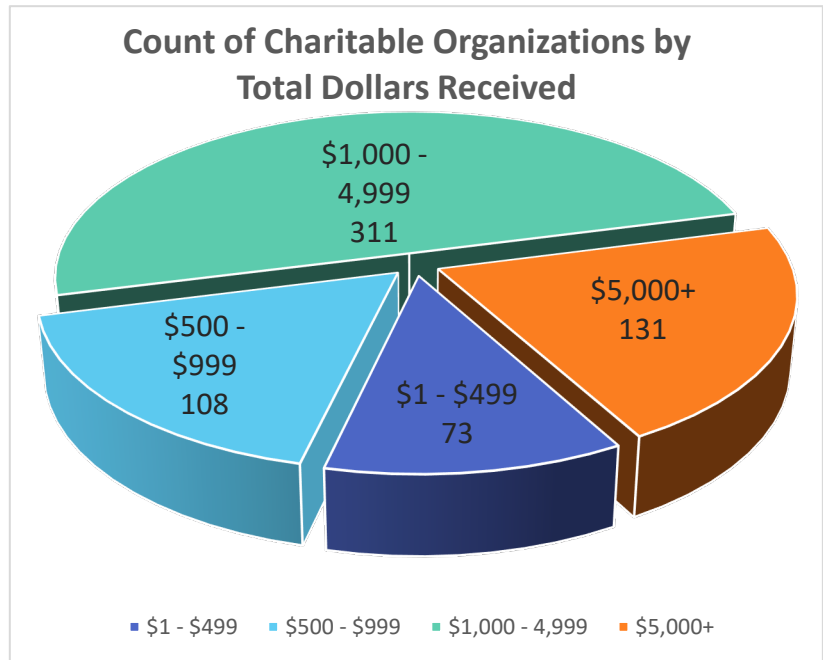
VOLUNTARY PROGRAMS

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.



Applicants are allowed to add or withdraw pledges until August 31st of each year. Pledge amounts may be reduced by other garnishments or assignments that take priority. An ineligible applicant pledge would 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	\$3,291,600.00
Pledges Withdrawn	(\$276,975.00)
Net Total Dollars Pledged	\$3,014,625.00
Total Dollars Paid to Organizations	\$2,763,596.40

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
2020	13,639	\$6,730,599.17
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	\$5,442,392.99
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
Total	246,273	\$161,199,076.68

VOLUNTARY PROGRAMS

DIVIDEND RAFFLE

In 2018, legislation 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 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.

Second Annual PFD Education Raffle January 27, 2021

Cost of Entry	\$100.00 each	
# of Entries	9,833	
Total Proceeds (2020)	\$983,300.00	
Allocation for Supplemental Grants	\$491,650.00	50%
Allocation for Education Endowment Fund	\$245,825.00	25%
Allocation for Dividend Raffle Fund	\$245,825.00	25%
Fund Balance from prior year	\$183,571.04	
Interest Earned	\$1,849.57	
Total Balance for Drawing	\$431,245.61	
First Prize	\$34,499.65	8%
Second Prize	\$17,249.82	4%
Third Prize	\$8,624.91	2%
<u>Fourth Prize</u>	<u>\$4,312.46</u>	<u>1%</u>
Total Prizes	\$64,686.84	
Administrative Expenses	\$8,624.91	
Carryover for 2021 Raffle Fund	\$357,933.86	

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. However, due to the COVID-19 pandemic and corresponding quarantines, lockdowns, and travel restrictions, Governor Dunleavy issued an emergency declaration (SB 241) on March 11, 2020. This declaration extended the 2020 PFD filing deadline to April 30, 2020. Typically, 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. The Division did end up receiving just under 14,000 applications in April of 2020.

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 typically the first payment of the new dividend year.

Along with extending the filing season to April 30th in 2020, Governor Dunleavy also announced, in late May, there would be an early PFD payout on July 1st, 2020, in consideration of the economic impacts of the COVID-19 pandemic. The early payout sped up the Division processing and payment timelines by over 3 months. In order to handle increased public contact from applicants, and to provide time for Division technicians to make determinations, the Division hired 28 temporary staff to assist in our call center. These temporary staff worked the months of June and July to handle incoming inquiries from Alaskans regarding their application and payment statuses. On July 1st, the Division was able to successfully pay out over \$592 million to just under 600,000 Alaskans.

As of March 1st, 2017, the PFD application serves 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.

Normally, 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*. Because of the early payment this year, this process was moved a month ahead of schedule. This process allows the division to verify account information accuracy and successfully process the highest percentage of requested direct deposits.

Mid-September through the end of October is usually 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. Because of the early payment, this occurred in July and August. With the help of the 28 temporary staff, the Division was able to handle the increased phone contact, while continuing to make eligibility determinations.

PERMANENT FUND DIVIDEND DIVISION HISTORY

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 typically 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.

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 2020 this amount was \$992 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 2020's dividend amount, the calculation was not based on the statutory formula under Alaska Statute 43.23.025.

Notes:

- The 2016, 2017, 2018, 2019, and 2020 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 AK529 program (formerly College UA) (AS 14.40.807).

Dividend Calculation

Dividend Year	2020	2019	2018	2017	2016
PFD Fund Balance as of Calculation Date	\$(2,615,373.97)	\$(250,000.00)	\$41,554,298.20	\$17,552,937.57	\$11,033,944.56
Add Permanent Fund Earnings (5-year average)	\$680,000,000.00	\$1,061,565,174.87	\$1,020,510,000.00	\$725,950,000.00	\$695,650,000.00
Less Expenditures to-date	\$(1,700,000.00)				
Appropriations (<i>see below</i>)	\$(40,047,300.00)	\$(47,191,700.00)	\$(38,619,600.00)	\$(38,557,000.00)	\$(48,363,100.00)
Reductions (<i>see below</i>)	\$(878,335.33)	\$(735,047.59)	\$(647,947.27)	\$(673,377.31)	\$(480,761.79)
Total Appropriations and Reductions	\$(40,925,635.33)	\$(47,926,747.59)	\$(39,267,547.27)	\$(39,230,377.31)	\$(48,843,861.79)
Total Amount Available for Dividends	\$634,758,990.70	\$1,013,388,427.28	\$1,022,796,750.93	\$704,272,560.26	\$657,840,082.77
Estimated Eligible Applicants	639,877	631,001	639,247	640,245	643,678
Dividend Amount	\$992.00	\$1,606.00	\$1,600.00	\$1,100.00	\$1,022.00

PERMANENT FUND DIVIDEND DIVISION HISTORY

Appropriations and Reductions Detail

Appropriations	2020	2019	2018	2017	2016
Department of Health and Social Services	\$17,724,700.00	\$17,939,700.00	\$17,724,700.00	\$17,724,700.00	\$17,724,700.00
(Hold-harmless provision for public assistance programs)					
Department of Corrections	\$13,036,000.00	\$18,807,600.00	\$11,493,400.00	\$11,591,000.00	\$20,236,900.00
Department of Revenue, PFD Division	\$7,838,100.00	\$8,329,400.00	\$8,323,000.00	\$8,218,800.00	\$8,990,100.00
Department of Administration					
Violent Crimes Compensation Board	\$1,448,500.00	\$2,115,000.00	\$1,078,500.00	\$1,022,500.00	\$1,411,400.00
Total Appropriations	\$40,047,300.00	\$47,191,700.00	\$38,619,600.00	\$38,557,000.00	\$48,363,100.00

Reductions	2020	2019	2018	2017	2016
Reserve for Prior Year Dividend Liabilities	\$618,948.33	\$297,051.39	\$223,817.27	\$180,335.59	\$233,438.95
Reserve for 18-year-old Filers	\$213,387.00	\$391,996.20	\$378,130.00	\$447,041.72	\$201,322.84
Reserve for 2008 Resource Rebate Payments	\$46,000.00	\$46,000.00	\$46,000.00	\$46,000.00	\$46,000.00
Total Reductions	\$878,335.33	\$735,047.59	\$647,947.27	\$673,377.31	\$480,761.79

CONTACT INFORMATION

Contact Information

For general information visit us at 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

To report a fraud tip e-mail:

pfdfraud@alaska.gov or call (907) 465-2654

JUNEAU STATE OFFICE BUILDING



Tel (907) 465-2326
11th Floor, State Office Building
PO Box 110462
Juneau, AK 99811

FAIRBANKS CHENA BUILDING



Tel (907) 451-2820
510 2nd Avenue Suite 100
Fairbanks, AK 99701

ANCHORAGE LPPG BUILDING



Tel (907) 269-0370
655 F Street, Suite A
Anchorage, AK 99501

Acting Director
Anna MacKinnon
(907) 465-4785
anna.mackinnon@alaska.gov

Division Operations
Corey Bigelow
(907) 465-2324
corey.bigelow@alaska.gov

Eligibility
Kimberly Lane
(907) 465-4780
kimberly.lane@alaska.gov

Appeals
Bobbi Scherrer
(907) 465-2038
bobbi.scherrer@alaska.gov

Data Processing
Tyler Brehmer
(907) 465-4776
tyler.brehmer@alaska.gov