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OFFICE OF THE LIEUTENANT GOVERNOR
ALASKA

MEMORANDUM

TO: Genevieve Wojtusik
Department of Revenue

FROM: April Simpson, Office of the Lieutenant Governor
465.4081

DATE: November 25, 2020

RE: Filed Permanent Regulations: Department of Revenue

Department of Revenue regulations re: donations from permanent fund dividend, for education and for entry into permanent fund dividend raffle (15 AAC 23.360, 15 AAC 23.370)

Attorney General File:	2018200842
Regulation Filed:	11/25/2020
Effective Date:	12/25/2020
Print:	236, January 2021

cc with enclosures: Harry Hale, Department of Law
Judy Herndon, LexisNexis
John M. Larsen, Audit Master

ORDER ADOPTING CHANGES TO REGULATIONS
OF THE DEPARTMENT OF REVENUE

The attached five pages of regulations, dealing with donations to the dividend raffle fund, raffle procedures, and the award of prizes, are adopted and certified to be a correct copy of the regulation changes that the Department of Revenue adopts under the authority of AS 43.05.080 and 43.23.055 and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

Although no public comments were received, the Department of Revenue paid special attention to the cost to private persons of the regulatory action being taken.

The regulation changes adopted under this order take effect on the 30th day after they have been filed by the lieutenant governor.

Date: _____

lucinda mahoney

Digitally signed by lucinda mahoney
Date: 2020.11.25 12:06:36 -09'00'

Lucinda Mahoney
Commissioner
Alaska Department of Revenue

FILING CERTIFICATION

I, Kevin Meyer, Lieutenant Governor for the State of Alaska, certify that on November 25, 2020, at 4:09 p.m., I filed the attached regulations according to the provisions of AS 44.62.040 - 44.62.120.

for Kevin Meyer
Lieutenant Governor

Effective: December 25, 2020.

Register: 236, January 2021.

FOR DELEGATION OF THE LIEUTENANT GOVERNOR'S AUTHORITY

I, KEVIN MEYER, LIEUTENANT GOVERNOR OF THE STATE OF ALASKA, designate the following state employees to perform the Administrative Procedures Act filing functions of the Office of the Lieutenant Governor:

Josh Applebee, Chief of Staff
Kady Levale, Notary Administrator
April Simpson, Regulations and Initiatives Specialist

IN TESTIMONY WHEREOF, I have signed and affixed the Seal of the State of Alaska, in Juneau, on December 11th, 2018.

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KEVIN MEYER
LIEUTENANT GOVERNOR

15 AAC 23 is amended by adding new sections to Article 1 to read:

15 AAC 23.360. Permanent fund dividend donations for educational purposes and the dividend raffle; eligibility. (a) As part of the online permanent fund dividend application, the department will provide an option for an applicant who is 18 years of age or older to direct that all or a portion of the applicant's dividend payment be donated for educational purposes and to enter the permanent fund dividend raffle. The department will provide an alternative method of donation and entry for an applicant who is unable to submit an online application.

(b) An applicant may make a donation under this section in increments of $100, up to the total amount of the permanent fund dividend that the applicant is entitled to receive, rounded down to the nearest $100. Each $100 donation is equal to one entry into the raffle under AS 43.23.230. An applicant may not withdraw or exchange a donation after the applicant submits the original application.

(c) Regardless of the amount of a donation for educational purposes an applicant intends to make under this section and AS 43.23.230, if an applicant makes both a charitable contribution under AS 43.23.130 and a donation for educational purposes as described in AS 43.23.230, and the combined total of required deductions, charitable contributions, and donations results in an amount greater than an applicant would otherwise be entitled to receive as a permanent fund dividend the order of subtraction shall be as follows:

(1) first, the full amount of any required deductions;

(2) second, the full amount, to the extent of any remaining balance, of charitable contribution made under AS 43.23.130; and

(3) last, donations for educational purposes as provided for in this section and

AS 43.23.230.

(d) If the department determines that an applicant is not eligible for a permanent fund dividend by December 31 of the dividend year, then the department will void a donation made by the applicant. If the department determines that an applicant is eligible for a permanent fund dividend after December 31 of the dividend year, the department will void a donation made by the applicant and pay to the applicant the amount available after any required deductions. The department will deposit a donation from an eligible applicant not later than December 31 of the dividend year for appropriation under AS 43.23.230 and will pay the applicant the amount available, if any, after payment of any required deductions or contributions under AS 43.23.130.

(e) If the department finds the recipient of a dividend raffle prize ineligible for a permanent fund dividend under AS 43.23.270 for the dividend year of the prize-winning donation and entry, the prize is forfeit in accordance with the procedures set out under AS 43.23.270. The department will re-deposit the forfeited prize in the dividend raffle fund. The department has six years after the date of an improperly paid prize to send the recipient notice of the improperly paid prize. If the department finds that the recipient is ineligible and that the prize is forfeit, the department will make funds collected and returned to the dividend raffle fund available for determination of future prizes. The department will not use the collected and returned funds to revise prizes from previous dividend years. The department will not revise a prize or draw an additional prize winner for a dividend year for the sole reason that a recipient is subsequently found ineligible.

(f) An applicant may make a donation under this section, but is ineligible to receive a prize from the dividend raffle fund if the applicant is

(1) employed by the Department of Revenue commissioner's office during

(A) the application period for the dividend year immediately before a dividend raffle fund drawing; or

(B) the 30-day period immediately preceding and including the date of the dividend raffle fund drawing;

(2) a raffle drawing auditor appointed by the commissioner of revenue under 15 AAC 23.370;

(3) a member of the team securing and transporting the drawing container containing raffle tickets; or

(4) an employee within the department that actively assisted in generating dividend raffle tickets.

(g) In this section, "required deductions" means attachments, garnishments or levies, including assignments under AS 43.23.200, issued against an applicant's Permanent Fund Dividend payment, on behalf of an agency, in order to collect funds. (Eff. 12 / 25 / 2020, Register 236)

Authority: AS 43.23.055 AS 43.23.220 AS 43.23.270
AS 43.23.200 AS 43.23.230

15 AAC 23.370. Permanent fund dividend raffle procedures. (a) The commissioner will conduct the permanent fund dividend raffle not later than January 31 each year. The department will provide public notice of the date, time, and location of the drawing on the Alaska Online Public Notice System (AS 44.62.175) at least 15 days before the drawing is

scheduled to occur.

(b) The commissioner will appoint a certified public accountant to serve as the auditor for the dividend raffle. The auditor shall witness the raffle drawing and certify in writing, within a reasonable time after the raffle is completed, the department's compliance with the procedures set out under this section. As the witness to the raffle drawing, the auditor shall

(1) watch as printed tickets are placed in the dividend raffle drawing container;

(2) accompany the printed tickets to the location of the dividend raffle draw;

(3) watch the drawing occur; and

(4) accompany the printed tickets being returned to the department.

(c) After all appropriated donations are deposited into the dividend raffle fund, at least two department employees shall together generate a consecutively numbered table of dividend raffle tickets, representing one ticket for each entry into the raffle. The table must include the name of each entrant, a ticket number, and the permanent fund dividend applicant locator number. The completed table must be used to print dividend raffle tickets for each entry. A raffle ticket must contain on its face the same information contained in the table. The auditor appointed under this section shall inspect and compare the table with the printed tickets and confirm that

(1) the dividend raffle tickets are numbered consecutively;

(2) the number of entries in the completed table is equal to the number of printed tickets; and

(3) a random comparison of information on a ticket and in the table corresponds.

(d) In the presence of the auditor, the department employees who generated the table shall place the printed raffle tickets into a container designated for the permanent fund dividend

raffle drawing. The auditor shall accompany the container to the location of the dividend raffle drawing.

(e) At the time and location of the drawing, the commissioner or a designee will announce to the public the amount of each prize and make available the calculation for each amount. After sharing this information, a person who is not an employee of the department or the auditor appointed under this section may draw the winning raffle tickets. Tickets must be shown to the raffle auditor before the names are read aloud.

(f) After the winning tickets are drawn, the container must be secured and returned to the department. Remaining tickets must be stored and retained as a public record. Winning tickets must be stored separately and also retained as a public record. Within a reasonable time after the drawing occurs, the department will post on the department's website

(1) the amount of each prize and the calculation for each amount;

(2) the names on the winning tickets;

(3) the procedure followed under this section; and

(4) the auditor's certification of compliance with these procedures.

(g) The department will provide the prize amount awarded to the winners of the raffle drawing within a reasonable time after the drawing occurs. (Eff. 12/25/2020, Register 236)

Authority: AS 43.23.055 AS 43.23.220 AS 43.23.230