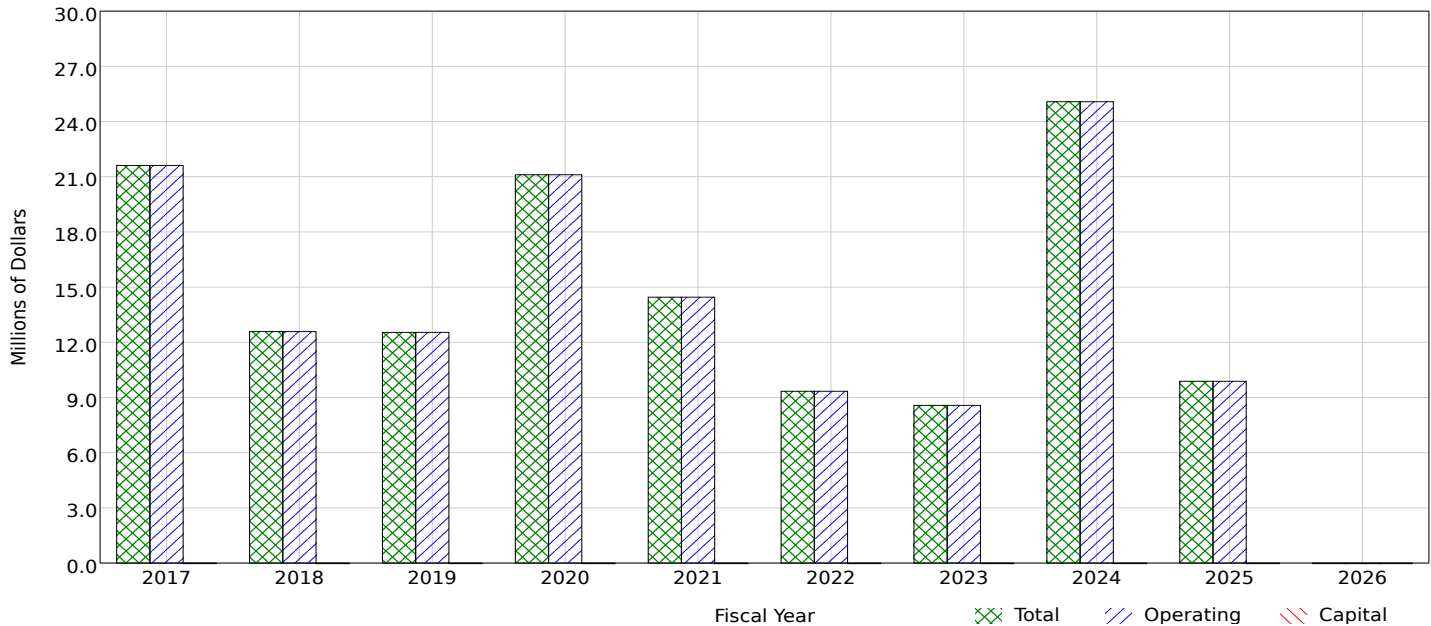


# Fund Source Report

## 1171 Rest Just Restorative Justice Account

Year Authorized 2003    Year Repealed    Active? Yes    Mental Health? No    Duplicated? Yes    Fund Group Other Designated

### Operating and Capital Appropriations



**Legal Authority**  
AS 43.23.048

#### Source of Revenue

The portion of appropriations from the Permanent Fund Earnings Reserve Account to the Dividend Fund that is associated with individuals who are ineligible for PFDs under AS 43.23.005(d). Restorative Justice Account was formerly called PFD felon funds.

#### Restrictions on Use

Appropriations from the dividend fund in excess of the amount determined by the Department of Corrections (DOC) must be reported on PFD stubs.

#### Description and History

Alaskans incarcerated for felonies (or multiple misdemeanors) are ineligible for Permanent Fund Dividends (PFDs). The Department of Corrections reports the number of ineligible prisoners annually (year prior to the most recent closed fiscal year). This number multiplied by the amount of the PFD in the most recently closed fiscal year) determines the amount of PF Criminal funds available for expenditure for purposes other than paying dividends. Code 1171 is appropriated from the Permanent Fund Dividend Fund (after money for dividends is appropriated there).

Available funds are used to support the budgets of several programs that assist victims of crime or sexual violence including:

Department of Administration for the Violent Crimes Compensation Board  
Department of Corrections  
Department of Public Safety for domestic counseling  
Legislature for the Office of Victims' Rights

#### Related codes:

Permanent Fund Earnings Reserve Account (1041)  
Permanent Fund Dividend Fund (1050)

June 2012

In FY12, there was an effort to reduce annual substitution of general funds for PF Criminal funds, or vice versa, caused by annual changes in the amount of dividends and the number of incarcerated individuals. Beginning in FY12, appropriations go only to the Crime Victim Compensation Fund

## Fund Source Report

and to the Department of Corrections for inmate health care. The intention was to have a fixed amount go to the Crime Victim Compensation Fund so that volatility was limited to the Department of Corrections.

December 2019

As noted above, the ERA is available to spend for any purpose at any time. By definition, the ERA is unrestricted general funds. Its classification as DGF was due to (1) tradition limiting use of the ERA to paying dividends and inflation-proofing and (2) potential distortion associated with reporting earnings of the permanent fund as general fund revenue while also classifying the earnings as "not available for spending." Under any statute or plan that envisions payouts to the general fund, the ERA must be classified as UGF.

Implications of this change include:

1. Appropriations from the ERA (other than to the PF corpus) are classified as UGF regardless of whether an appropriation is directly from the ERA or passes through the general fund. This includes appropriations to the capital income fund (1197), which are reported as transfers.
2. Distortion in reporting a surplus/deficit is avoided by reporting an amount equal to ERA appropriations (except to the PF corpus) as UGF revenue. Note that neither the available balance of the ERA nor unappropriated current earnings are to be reported as revenue. Note that Revenue Sources Books include money to the capital income fund as traditional revenue, so it should not be reported separately.
3. Appropriations from the ERA to the corpus are inter-fund transfers and do not appear as revenue or appropriations. Arguably, inflation proofing could be shown as UGF revenue and appropriations, but doing so could distort historical reports regarding available revenue.
4. Codes 1050 (PFDs) and 1171 (PFD appropriations in lieu of dividends to criminals) are secondary appropriations of UGF and must be classified as "other duplicated."
5. Code 1197 (capital income fund) begins as UGF revenue and then shows as a transfer of UGF to the fund. Appropriations from 1197 then show as both DGF expenditures and revenue. Appropriations to the capital income fund equal annual earnings on the Amerada Hess portion of principal, but the amount spent may not equal income for that year.

May 2018

Renamed the code per new section AS 43.23.048 (HB 216,) which specifies guidelines for appropriations that shift spending of these funds from DOC to additional programs that aid crime victims.