Department's Responses to Questions and Comments Received for Proposed Changes to PFD Regulations

The Department of Revenue ("Department" or "DOR") provides its response below to questions received. The responses are not binding on the Department for any position of law. Any final regulations will be adopted after consideration of the comments received.

Question 1:

May I inquire what the Department's or Division's reasoning is to eliminate the regulation that establishes the online publication of the list of PFD applicants each year? What was the historic basis for the department implementing that provision in the first place? The enabling statute does not seem to mandate it, but I wonder what the legislative record for the 2004 enabling act might reflect.

DOR Response:

PFDD has researched this briefly but is unaware why this database was first put online. The first year for online applications was 2000. Legislative Research/Legal may have more information on the history of this original regulation.

The proposed regulation change removes the requirement of disclosing PFD applicant information from the Department's website. This change is necessary to help lower the risk of PFD fraud and to prevent the exploitation of this online information which can facilitate identity theft related crimes. This information would still be available to the general public, but the person or organization seeking this information would now have to contact the PFD Division directly to obtain the information.

Question 2:

What are the alternative methods to online submission for the education raffle?

How many people have entered the education raffle each year since its inception?

For each of those years, please provide the breakdown of people who entered online, and those who entered in each alternative method.

DOR Response:

What are the alternative methods to online submission for the education raffle?

O Currently, there is no alternative method to apply for the education raffle. After a recent and thorough review (including with the assistance of the Department of Law), it was determined that the original intent was for the education raffle program to be via online applications only, similar to the Pick, Click, Give program. This proposed regulation will amend the regulation to reflect that original intent.

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How many people have entered the education raffle each year since its inception?

- o 2019 8,698 valid pledges (all electronic)
- o 2020 9,833 valid pledges (all electronic)
- 2021 8,834 valid pledges (all electronic)
- o 2022 8,740 valid pledges (all electronic)

For each of those years, please provide the breakdown of people who entered online, and those who entered in each alternative method.

o All education raffle entries were made by electronic application.

Question 3:

It appears that the Department is proposing to repeal 15 AAC 23.253(b)(<u>25</u>) which permits the department to disclose the names of applicants to the general public.

The departments justification for this proposed change is not clear from the information available in the notice.

Please explain why the department thinks this change is necessary.

DOR Response:

The proposed regulation change removes the requirement of disclosing PFD applicant information from the Department's website. This change is necessary to help lower the risk of PFD fraud and to prevent the exploitation of this online information which can facilitate identity theft related crimes. This information would still be available to the general public, but the person or organization seeking this information would now have to contact the PFD Division directly to obtain the information.

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