

# Permanent fund distribution nears reality

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The Associated Press

**JUNEAU** - Every six-month Alaska resident, including children, could pocket a one-time-only \$1,000 cash payment this summer under legislation approved by state lawmakers.

The payments, estimated to total over \$400 million, will go out if the U.S. Supreme Court strikes down the state's permanent fund dividend program, or if the court has not ruled by July 15 on a legal challenge filed by Ron and Patricia Zobel of Anchorage.

The Zobels contend the existing program discriminates against short-time residents because it calls for the state, on an annual basis, to pay people \$50 for each year they've lived in Alaska since statehood in 1959.

Before adjourning the 1982 session, the state Senate voted 16-3 Thursday to join the House in approving a "backstop" dividend program requested by Gov. Jay Hammond.

It calls for the conditional \$1,000 payment and also sets up an ongoing dividend program to take effect if the Supreme Court outlaws the existing one.

Oral arguments in the Zobel case were heard in October, and a ruling is expected any day.

The replacement dividend program would call for all Alaskans, including children, to get equal cash payments each year — regardless of length of residency. The size of the payments would depend on the number of people who apply for dividends and the amount of income the perma-

nent fund earns each year.

Half the earnings of the savings account would be earmarked to pay dividends, and state officials estimate a person would receive \$356 in 1983 and \$247 in 1984.

The legislation also specifies that if the court upholds the current program, one key change would be made in it: children would become eligible to collect for prior-year dividends when they reach age 18. Current law does not allow

that.

Basically, the backstop legislation is an effort to cover all possible court rulings and insure that Alaskans get dividends this year. Although the existing dividend program was established in 1980, payments have been delayed because of the legal challenge.

If the court strikes down the dividend program, or has not ruled by July 15, here's how the six-month residency requirement for the \$1,000

payment would be figured:

The Department of Revenue would establish a four-month application period starting about July 15. At the time a person applied, he or she would have to have lived in the state for six continuous months.

Since the application period would end approximately Nov. 15, a person would have to have been living in Alaska prior to May 15 to qualify for a \$1,000 payment.